



Daily Report

Latin America

FBIS-LAT-95-078
Monday
24 April 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report

Latin America

FBIS-LAT-95-078

CONTENTS

24 April 1995

INTER-AMERICAN AFFAIRS

OAS Condemns Oklahoma Bombing, Forms Group on Terrorism [CANAL]	1
OAS Council Adopts Draft Anticorruption Report [CANAL]	1

CARIBBEAN

Cuba

Alarcon: Public Hearings Set To Explain Helms-Burton Bill [Havana Radio]	2
Alarcon Gives News Conference on Migration Talks [Havana Radio]	2
Interviewed on Migration Talks [Havana TV]	3
Alarcon: Migration Discussed 'Within Its Real Context' [Havana Radio]	8
Helms Bill Said To Ignore Sovereignty of Nations [Havana Radio]	9
GRANMA: Bill Will Harm U.S. Interests [PRENSA LATINA]	10
Lawyers: Bill Violates International Law [PRENSA LATINA]	10
Commentary: Helms Remarks at Miami Meeting 'Demented' [Havana Radio]	11
Expulsion, Macias Decision Widening Differences With U.S. [Havana Radio]	11
Boat Hijacking Trial Under Way [PRENSA LATINA]	12
Request for Death Penalty Denied [Havana Radio]	13
Hijacker Gets 30 Years [Havana Radio]	13
Foreign Ministry Denies Attack on Military Academy [NOTIMEX]	13
Pinar del Rio Provincial Assembly Elects New President [Havana Radio]	14
Fidel Castro Addresses Cuban Athletes [Havana TV]	14
Economic Cooperation Minister Arrives in PRC [Havana Radio]	17
Santiago de Cuba Ends Sugar Harvest Program [PRENSA LATINA]	17
Guantanamo Province Reaches Sugar Production Goal [Havana TV]	17
Roundup of Economic Developments [Santa Clara Radio, etc.]	18

Cayman Islands

Government To Rid Islands of Cuban Refugees [CANAL]	18
---	----

Haiti

Election Registration Process Continues Slowly [Port-au-Prince Radio]	19
Attack Reported on La Chapelle Electoral Office [Port-au-Prince Radio]	19

MEXICO

Zedillo Cited on Stabilization of Financial Markets [NOTIMEX]	21
Banxico Reports \$178 Million Drop in International Reserves [LA JORNADA 20 Apr]	21
No Talks Held Between Government, EZLN [Mexico City Radio]	22
Government, EZLN Open Talks Following 48-Hour Delay [NOTIMEX]	23
Spokesman Reports Agenda for Government, EZLN Peace Talks [NOTIMEX]	23
Government, EZLN To Resume Talks 12 May [NOTIMEX]	24
EZLN Attending Talks To Discuss Peace, Not Surrender [AFP]	24
'National Development' Process Faulted [REFORMA 5 Apr]	24
Action on Felix Miranda Case Cited [ZETA 31 Mar-6 Apr]	25

CENTRAL AMERICA

El Salvador

Finance Minister Comments on Tariff Reduction Plan [San Salvador TV]	28
Central Reserve Bank Vice President on Monetary Policy [LA PRENSA GRAFICA 17 Apr]	28

Guatemala

Government, URNG Agree To Make Proposals Known [PRENSA LIBRE 20 Apr]	29
Bank of Guatemala President Says Quetzal Stable [Guatemala City TV]	29
Industries Chamber President on Consolidation of Tariffs [PRENSA LIBRE 20 Apr]	30
Human Rights Commission on Increase in Violations [Guatemala City TV]	30
Seminar on Civilian Intelligence Discussed [PRENSA LIBRE 3 Apr]	30

Honduras

Commission To Request 'Classified' U.S. Information [LA TRIBUNA 21 Apr]	32
---	----

Panama

Foreign Minister Committed to Combating Terrorism [LA PRENSA 21 Apr]	33
Former Colombian Politician Gunned Down Near U.S. Base [AFP]	33
Peasant Group Claims Responsibility [Madrid EFE]	33

SOUTH AMERICA

Argentina

Menem: Oklahoma Bomb Has 'Mean,' 'Political' Ends [NOTICIAS ARGENTINAS]	35
Foreign Minister Criticizes U.S. Trade Policy [TELAM]	35
Menem: General Strike 'Total Failure' [NOTICIAS ARGENTINAS]	35

Bolivia

State of Siege Reportedly Yielding Expected Results [Madrid EFE]	36
Minister: Accords Achieved With COB To Be Honored [La Paz TV]	36
COB Continuing To Organize, Meet Clandestinely [La Paz TV]	37
Peasant Leader: Road Blocks To Begin 24 Apr [La Paz TV]	37
Further on Situation of Arrested Union Leaders [La Paz TV]	38

Brazil

Oklahoma, Other Attacks Viewed as 'Intolerable,' 'Absurd' [FOLHA DE SAO PAULO 20 Apr] ...	38
Editorial Decries Attacks, 'Death of Innocents' [O ESTADO DE SAO PAULO 21 Apr]	39
'Specter of International Terrorism' Said Revived [JORNAL DO BRASIL 21 Apr]	40
Charges May Lead To Cancellation of Sivam Contract [JORNAL DO BRASIL 21 Apr]	40
ESCA Denies Irregular Social Security Contributions [FOLHA DE SAO PAULO 14 Apr]	41
SAE Studying Possible Replacement of ESCA Company [AGENCIA ESTADO]	42
SAE Head 'Lied' About Fine for Delay in Sivam Contract [FOLHA DE SAO PAULO 20 Apr]	42
Pharmaceutical Industry Criticized on Patent Issue [AGENCIA ESTADO]	43
Alcantara Base May Be Operated by Private Initiative [JORNAL DO BRASIL 14 Apr]	43
PT Vetoes Members' Participation in 'Light Left' [FOLHA DE SAO PAULO 13 Apr]	44
140 Deputies Sign Petition Against Constitutional Reform [JORNAL DO BRASIL 21 Apr]	44
Lucena Rumored To Leave Army Ministry [FBIS Media Note]	45
Debts Owed Sao Paulo State Bank Detailed [VEJA 22 Mar]	45

Chile

Antidrug Law Lifts Bank Secrecy, Combats Money Laundering [Santiago TV]	50
Objections to Proposed Highway to Laguna del Desierto Noted [NOTICIAS ARGENTINAS]	50

Colombia

Samper Reacts to U.S. Call for Sanctions Over Banana Accord [Madrid EFE]	50
Ambassador: U.S. Media Stress Negative Views [Santa Fe de Bogota TV]	50
Warrants Issued for People With Cali Cartel Links [Santa Fe de Bogota TV]	51
Former Senator Linked to Narcocassettes Arrested [Santa Fe de Bogota Radio]	51
Liberal Party Suspends Lawmakers Under Investigation [Santa Fe de Bogota TV]	52
Political Impact of Recent Events Analyzed [SEMANA 11 Apr]	52

Ecuador

Navy Demobilizes 500 Reservists Along Peruvian Border [Quito Radio]	55
Government Reduces Petroleum Exports to U.S. [Quito Radio]	56
Crime Tops List of Public Concerns [Media Note]	56

Peru

Fujimori Discards Occupying of Ecuadoran Territory [Madrid EFE]	56
Fujimori Replies to Duran-Ballen's Message [Lima TV]	56

Uruguay

Officials Discuss U.S. State Department Report [EL OBSERVADOR ECONOMICO 12 Apr]	57
---	----

Venezuela

Government Measures Seek Price Control, Job Stability [Caracas TV]	57
Colombian Attorney General on Border Issues [Caracas TV]	57

OAS Condemns Oklahoma Bombing, Forms Group on Terrorism

FL2104231495 Bridgetown CANA in English 2221 GMT 21 Apr 95

[FBIS Transcribed Text] Washington, April 21, CANA—Ambassador Beatriz Ramacciotti, of Peru, has been elected by unanimous acclamation to chair a new Group on Terrorism created by the Organization of American States (OAS).

Her election was made during a meeting in which ambassadors and delegates from throughout the Hemisphere expressed their strongest repudiation of the bomb attack in Oklahoma City and underscored their commitment to strengthen regional co-operation to confront national and international terrorism.

"I wish to express in the first place, on behalf of the Peruvian delegation and of my Government, the deep sorrow over the criminal terrorist attack in Oklahoma. Our most sincere expression of sympathy go to the Government and people of the United States," said Ambassador Ramacciotti, as she expressed her appreciation for the election made in a meeting of the Permanent Council's Committee on Juridical and Political Affairs.

Her candidacy was proposed by Ambassador Julio Cesar Jauregui, of Uruguay, who underscored the great experience of the Peruvian diplomat as an outstanding jurist and the fact that her country had suffered the consequences of terrorism.

Ambassador Jose Antonio Tijerino, of Nicaragua, and the Acting Representative of Paraguay, Manuel Caceres, seconded the proposal and asked that the election be made by acclamation.

OAS Council Adopts Draft Anticorruption Report

FL2104212395 Bridgetown CANA in English 1707 GMT 21 Apr 95

[FBIS Transcribed Text] Washington, April 21, CANA—The Permanent Council of the Organization of American States (OAS) has adopted a draft report and resolution underscoring the need to strengthen hemispheric mechanisms to prevent and fight corruption that might affect member states. The OAS said in a statement

the report and draft resolution have been forwarded to the General Assembly for final approval. They were presented to the Council at Wednesday's [19 April] regular session by the permanent representative of Chile, Ambassador Edmundo Vargas Carreno, as chairman of the Working Group on Probity and Public Ethics.

The topic of corruption and ethics was brought to the attention of the OAS by the Chilean government. Later, the government of Venezuela submitted a draft Inter-American Convention Against Corruption, defining corruptive practices as crimes. It states that regional countries will not grant diplomatic or territorial asylum to persons who, at the time of the request, have been indicted or convicted by competent regular courts for crimes of corruption, eliminating the possibility of impunity by just leaving the country where such crimes were committed.

Ambassador Vargas Carreno briefed the session on the activities of the Working Group over the last several months.

President of the council, Ambassador Marlene Villela de Talbott of Honduras, praised members of the group for the work done.

The resolution notes "with satisfaction" the report on probity and public ethics and "with interest", the idea presented by OAS Secretary General Cesar Gaviria, in his working paper on "A New Vision of the OAS" in which he outlines activities the Organization could carry out to fight corruption. The OAS said among future activities it would undertake, if agreed upon by the General Assembly in Haiti next June, are:

- A seminar on probity and public ethics to be held in Uruguay during the second half of 1995.
- The Chair of the Working Group on Probity and Public Ethics will prepare a draft Inter-American Convention Against Corruption on the basis of the proposal submitted by the Government of Venezuela and bearing in mind observations contributed by the governments.
- The Inter-American Juridical Committee will study the draft in its meeting in Rio de Janeiro, Brazil, next August. A special session of the Working Group will consider a definitive text and, finally, the Permanent Council would convene a specialized conference.

Cuba**Alarcon: Public Hearings Set To Explain Helms-Burton Bill***FL2204143395 Havana Radio Progreso Network in Spanish 1000 GMT 22 Apr 95*

[From the "First Thing" program]

[FBIS Translated Text] Ricardo Alarcon, president of the National Assembly of the People's Government, announced public hearings will begin on 3 May to explain the bill sponsored by U.S. Congressmen Jesse Helms and Dan Burton, to re-energize the blockade against Cuba. During statements made on Cuban television, Alarcon explained that the bill seeks to extend the blockade against our nation to include completing the process of returning properties to those who abandoned Cuba after the Revolution triumphed in 1959. Alarcon stressed it is important that every citizen be informed about the Helms-Burton bill, as it would directly effect everyone because, Alarcon said, houses, schools, child care centers, social centers, and farm lands are at risk, and no Cuban would want to give up these things.

Alarcon Gives News Conference on Migration Talks*PA2104141895 Havana Radio Havana Cuba in Spanish 0000 GMT 21 Apr 95*

[Report by Barbara Bethancourt on news conference by Ricardo Alarcon de Quesada, president of Cuba's National Assembly of the People's Government and head of the delegation at the fourth round of U.S.-Cuban migration talks, with unidentified reporters upon returning to Havana from New York on 20 April; from the "Evening Information Review" newscast]

[FBIS Translated Text] Following the conclusion in New York of the third round of talks between Cuba and the United States to assess the migration agreement signed last September, Cuban Parliament President Ricardo Alarcon returned this Thursday [20 April] to Havana. He once again presided over the island's negotiating team.

[Begin recording] [Alarcon] The meeting was, as is known, part of the September agreement that established that the countries should meet periodically to assess accord compliance. Therefore, it was a working meeting, and not as brief as reported. We really worked for nearly two full days. The first day was [words indistinct] and until 1200 on the second day.

Reviewing all aspects on how the agreement is being complied with, I would say that, in general, there is a willingness on both sides to fulfill the agreement but that there are some problems that must be seriously addressed. That is why Cuba proposed that this meeting be held at this time and why we will continue discussing those things at the next meeting, which should be held toward the end of May or beginning of June.

[Reporter] Regarding these problems, could you be a little more specific?

[Alarcon] Well, the United States is clearly committed to not permitting the entry of people who have not previously and properly received a visa from them. This is what the U.S. law establishes and also is what the North Americans are constantly saying.

So far this year, according to U.S. statistics, each month they have expelled through various points along the Mexican border a greater number of people attempting to enter the United States than all those who emigrated from Cuba in 1980. [Words indistinct] so much talk about Mariel, they have a monthly Mariel on other points of the border, and they have several border points. Therefore, the United States is interested—and, I presume, this is a serious and real interest—in avoiding violations of this commitment.

On the other hand, there are still special interests conspiring against this policy. Those who today are proposing the Helms draft bill, which seeks to tighten the blockade, are advocating that all Cubans illegally entering the United States be accepted in that country. This is not, of course, the policy of the U.S. Government. Nevertheless, it is, on one hand, facing that pressure.

There is a great deal of rhetoric and anti-Cuban actions that continue to permeate and prompt official actions which, to some extent, promote, encourage, or can be seen as fostering this. I repeat, this is not the policy of the U.S. Government. The United States is concerned about this. It does not want this. It wants the agreement to work. It does not want to accept any more illegal aliens, because it cannot do so given the strong opposition to this in the country.

[Reporter] In this regard, Alarcon, in the days leading up to the negotiations there were events that may have evidently undermined this atmosphere. Did the Cuban side make any proposals regarding the expulsion of the diplomats and the subsequent acquittal of Macias?

[Alarcon] The comrades who were expelled [words indistinct] an incident that occurred exactly on the eve of our arrival in New York last year, when we went there to hold talks, after which came the agreement. In other words, the question or the curious thing here is whether it was coincidental, precisely when we returned to New York, that this absurd expulsion or request for the renunciation of the immunity of the comrades at the mission occurred. The only thing they did was fulfill what local police and authorities failed to do. What they did was to expel from the entry of our mission, which is ours, a group of people who were there arbitrarily blocking access, who were blocking the entry and exit of our mission, while the police looked on. [Words indistinct] a provocation. It is an absurd response to what was ultimately an act of negligence by U.S. authorities. This is why Cuba rejected the request that they renounce their immunity, and it cannot admit that these comrades were guilty of anything.

These comrades performed meritoriously by fulfilling their diplomatic mission, as well as by going further in fulfilling the duties of the New York police who were not there at the time.

[Reporter] As for [words indistinct] the Helms bill, if it is approved, might it endanger the migration talks?

[Alarcon] [Words indistinct] The Helms project is designed to complicate relations between the two countries, even prevent any chance of normalizing U.S.-Cuban relations. [Words indistinct] a madman and a group of pseudo-Cuban phonies—this counterrevolution of Cuban origin [words indistinct] doing what they have been doing all of their life, since 1 January: seeking U.S. aid to reestablish their privileges in the sinecures that they had in this country prior to the revolution and acting as an instrument for the United States to make Cuba a country subjected to the United States [words indistinct] administered and used by a group of big landowners [words indistinct].

They are very cowardly. They have spent 35 years waiting for the Yankees to come and resolve the problem and return their houses, farms, factories, etc. That is the Helms bill [words indistinct]. Therefore, it has the virtue that it is the first time that [words indistinct] state the truth.

As the Cubans say, a lot of rubbish has been said about democracy, human rights, the market economy, and whatever else they think up, when in fact the only thing they are seeking is to recover their large estates, factories, and houses. That is what the law now says [words indistinct] if it is approved and turns into U.S. policy, it would be ridiculous to think [words indistinct].

Although it has not said so in a, let us say, particularly vigorous manner, the U.S. Government has expressed... [pauses] President Clinton has recently said he does not agree with the law. Let us wait to see what happens. Let us see whether it turns into a law of that country. In any case, I think that even if they approve it, they will not be able to apply it for the simple reason that no one else on the planet agrees with it. I think it will [words indistinct] even more, because, if they were unable to do so before with a more hypocritical language, with a more skillful presentation of the problem, and if before they were unable to find even more than one country to support them at the United Nations, now when they appear without cloaks or disguises and stating what they really seek, I am sure they are going to find it very hard to avoid an opposition that has multiplied internationally.

[Reporter] The Defense Department recently announced that next month flights, or an air bridge, would begin between Florida and Guantanamo Naval Base. To a certain extent, this is being done at a time when the ban on normal flights by Cuban-American relatives remains in effect as a result of the 20 August [word indistinct]. How would you describe this?

[Alarcon] I think it is outrageous [words indistinct]. On the other hand, what we have on this subject are just really news reports. I cannot say there is actually a plan to do this, although they are discussing and considering it. Nevertheless, it is absurd. It is absurd that at a time when they are preventing Cubans in Cuba from being visited by relatives from the United States or Cubans from visiting their relatives in the United States, they make an exception only for people who are at the Guantanamo base and who have relatives in the United States. That seems like a privilege, a stimulus for those people they are refusing to receive. This is one more example of how they have a policy that is trapped in a number of contradictions for which they do not have any easy solutions.

[Reporter] The rafters have been on the Guantanamo base for almost one year [words indistinct].

[Alarcon] That is the main problem. Both governments must continue making a detailed analysis of the problem to find a definite solution which, for one thing, considers the situation of those people, who are, ultimately, human beings and victims of a 35-year-old policy that encouraged them and made them believe that they were going to be welcomed into the United States with open arms, as many other people were. Therefore, that must also be considered. We must also consider that there is no need to multiply or reproduce abnormal situations that do not correspond with the interests of either one of the two countries. This is the main issue that must be addressed to ensure the proper fulfillment of the agreement. I would say that it was the core of what we did in New York these past few days, and it should be the core of what we will continue doing in the next meeting—which will be held, as I said before, in the near future.

[Reporter] [Words indistinct] Alarcon, was any other topic discussed besides migration at this fourth meeting?

[Alarcon] If one were to ask Mr. Hayes, he would surely say that. He did not broach anything else. I must not avoid saying that I have never been able to talk about the topic of migration without referring to its real context and the factors that condition it, the elements that [words indistinct] we have talked of many things that go beyond the topic of migration. Besides that, we not only talked about [words indistinct] we were in a city where many people are talking about the [words indistinct] the Helms law [as heard], the need to change the policy toward Cuba. To be sure, that was a topic that was as conspicuous and as weighty as the talks on migration themselves. [end recording]

Interviewed on Migration Talks

PA2204125595 Havana Tele Rebelde Network in Spanish 0208 GMT 22 Apr 95

[Interview with Ricardo Alarcon de Quesada, president of Cuba's National Assembly of the People's Government and head of the delegation at the fourth round of

U.S.-Cuban migration talks, by Pedro Martinez Pirez at the Tele Rebelde studios in Havana; from the "This Very Day" program—live]

[FBIS Translated Text] [Martinez] As announced, we again, as many times before, have Cuban Parliament President Ricardo Alarcon with us. As is known, Alarcon headed the Cuban delegation at the meeting in New York. He has headed this delegation since the migratory agreement with the United States was signed on 9 September 1994. The representatives of both governments have met several times following the signing of this agreement in September. They met in Havana in October, in New York in January, and now, again in New York. According to reports rendered by both delegations, the date for the next meeting is practically fixed. The meeting will be held in Havana. Is this correct, Alarcon?

[Alarcon] Yes. The exact dates are still to be determined at a later date. However, we believe the meetings will be held here in Havana some time at the end of May or the beginning of June.

[Martinez] We have to say that these talks were characterized, first, by the degree of secrecy maintained by both delegations—the one presided over by Alarcon and the one presided over by Mr. Hayes—and second, by two events that seemed to be aimed at clouding the climate for this Cuban-U.S. negotiation process: the expulsion of two Cuban diplomats from the mission in New York—months after the disturbances in August...

[Alarcon, interrupting] Almost a year later.

[Martinez] Almost a year later. It was a really a harassment that occurred in front of the mission at Lexington and 38th, a place where, in the past, a great many paid counterrevolutionary hecklers have denounced Cuba. Additionally, the murderer of a Cuban combatant was acquitted. Those are the two events, Alarcon, that seemed to be aimed at creating an unfavorable climate for the talks.

Moreover, a grand show [previous word in English] was presented in Miami. Senator Helms, who had been invited by the ultra-rightist Cubans, made a lot of noise there. They said they were going to bring together most of the Cubans, but later I found out the production had included only 1,000 people. They, however, declared Mr. Helms a hero. Tell us, Alarcon, how did the talks really go?

[Alarcon] Well, the climate surrounding the meeting, which you have just described, is accurate. However, regarding the August 1994 incident, I really believe the measure taken by the North Americans was totally unwarranted and baseless. The incident was filmed and the events can be clearly viewed. It was even aired by several New York television stations. The film shows a group of individuals who, although the mission is surrounded by a police barricade and several U.S.

policemen are in front of them, manage to bypass all of this—no one knows how—and get to the front door of the mission and block it with a chain. This obstructed the access—both entry and exit—of a diplomatic building, which, according to the Vienna Convention, the host country is obliged to protect and ensure its regular operations.

I would say that our companions only carried out a sort of voluntary work. They did what the policemen were not doing. They intervened and ended the attempts against the Cuban building. A year later, they concoct an alleged case of disorder. The Cuban officials did not prompt any disorder anywhere else. They were at the door of their diplomatic mission. This occurred a block away from the Cuban mission.

It is true, all of this does cause one to think that it is too much of a coincidence for such a step to be taken exactly on the eve of the meeting. The action is related to an incident that took place precisely on the eve of our arrival in New York last year. That is why I recall that it was exactly a year ago. [laughs]

The other issue is the ruling on the murderer of our companion at the Mariel events. We have to say that U.S. authorities have not accepted the ruling and announced that they would appeal it. That is to say, they are appealing the judicial decision and maintain the position that this is a person who should be punished and should not be accepted in the United States. Let us see what happens with this matter. It is also suspicious that the ruling was handed down precisely when the talks were scheduled to start.

Part of the 9 September agreement is that there will be periodic meetings to oversee compliance with the agreement; in other words, it is not an agreement that was signed and was left up in the air to see how well it worked, to see how events would unfold. Both parties have the commitment to verify and periodically review compliance with the agreement, as is what we did. In this regard, I would say it was a useful meeting. It was a meeting which, apart from different positions we may maintain on a specific aspect, demonstrated first and foremost the common desire to continue applying the agreement, adhering to the same. It demonstrated the interest not only of Cuba but also of the United States to make things work and to see that migration procedures between both countries conform to the legislation of both countries and international laws. The interest to maintain that strict verification over compliance with the agreement was also demonstrated by the fact that we agreed that the next meeting will be held shortly.

[Martinez] Something that also happened at that time, I believe it was on the 17th, was something we discussed here on "This Very Day": The lead editorial in the JOURNAL OF COMMERCE. This is an important newspaper. It criticized President Clinton for following a policy dictated by pseudo-Cuban right-wing forces, as

Alarcon yesterday referred to these counterrevolutionaries, and also the right-wing of the Republic Party and a small rightist group of Democrats, because Torricelli is a Democrat, and a few other Democrats also supported this initiative. These are four senators.

This editorial states, referring to massive emigration that may be prompted if the blockade is intensified—again the blockade is the fundamental reason for emigration from Cuba—and if additional pressure is added, the embargo will prove detrimental. It states that massive emigration is not the only consequence of the stupid U.S. policy toward Cuba. The newspaper adds: The embargo contradicts our support for freer world trade. It places Washington in disagreement with our largest trade partners and makes the government hostage to the politically influential Cuban-American community. This came out on 17 April. This is very significant, because other media have stated this categorically.

[Alarcon] During the days we were in New York, we saw several similar reports. They too were on front pages like the one you just mentioned. I was interviewed by THE WASHINGTON TIMES, which is possibly one of the most characteristic dailies of American conservative thought. This interview was very well conducted, and they published it on the front page. THE NEW YORK TIMES also interviewed me, and there were several editorials and commentaries along these same lines. I believe that if we exclude the lampoon publications of Miami, it is impossible to find any U.S. media, certainly any responsible media, with opinions different from those stated above. They have criticized the continuation of the blockade and also have opposed the proposal to tighten it and make it harsher.

It should also be pointed out that all of these dailies, as well as radio and television, constantly present reports on protests and positions that oppose this policy as expressed by other governments and countries of the world. They said that this initiative would contradict the most recent international agreements: The World Trade Organization, NAFTA, and so on. It would place the United States in a position that will be very difficult to maintain. If they are isolated in their policies, they will be further isolated if they advance along the irrational path proposed by Helms and other people.

Perhaps the most important thing out of all of this is that President Clinton himself in a recent interview expressed in a very careful manner, but clearly, his disfavor of new anti-Cuban legislation in Congress.

[Martinez] Does this mean that we could plainly think that the extreme right-wing of the U.S. Congress and the Cuban immigrant community, the Miami Mafia, are obviously totally opposed to talks such as the ones now in New York and [words indistinct] next month? Could they be sabotaging the talks to a certain degree, or trying to do so, perhaps?

[Alarcon] I would say they have been trying since 9 September. They have been doing it in all of their

counterrevolutionary propaganda. They have been doing it in their statements, as well as in their criticism and actions against the policy adopted by the U.S. Government and its commitments in this area. This means that the simple fact that a meeting such as this, as you know, always creates some degree of ruckus among these so-called Cubans—to have some sort of reference point, we could call them former Cubans—and among the more conservative sector of the U.S. population. These are not just conservatives, because one would ask on what planet these conservatives live. Can you imagine? One day one of the promoters of this new law wanted to deploy aircraft carriers off the coast of Bolivia. The other one has just made a fool of himself. I say he made a fool of himself, but he has not yet realized what he did. When the Foreign Relations Committee chairman welcomed the prime minister of Pakistan, he presented her as the prime minister of India. After she spoke and explained Pakistani policies, he again addressed her as the prime minister of India. Helms may just now, after entertaining this woman, have discovered that India and Pakistan are two different countries. As you know, anyone who knows only a little of that region in Asia is aware that the two countries have nothing in common; they are two completely separate entities.

It is evident that there is an ongoing effort by the most extremist groups to sabotage and affect anything that implies steps toward an improvement or normalization, even a partial normalization, of relations between Cuba and the United States. This, I believe, responds to a desperate attitude—an attitude of frustration. They can find no explanation to the fact that we are still here, five years after the disappearance of the Socialist Bloc. It must enrage them to see information or analyses published by objective journalists; or perhaps, to see a recent study requested by the Pentagon that says precisely that. The study states that the Cuban situation, despite all of its difficulties, indicates that Cuba is following the correct economic policy. It states that Cuba is overcoming the crisis brought upon it by the crumbling of the Socialist Bloc, and no one can have the slightest doubt about the ideological convictions of the specialists who carried out this study. Quite the contrary, this is a feeling that is gaining strength, at least among the American people who have brains in their heads, and there are quite a few. I believe there is no one who can stop this wave. That is why we are seeing such desperate actions from these groups at this time. They are expressing their feelings through this new draft legislation, which the U.S. Congress should soon discuss. They should discuss it. A democratic congress must discuss and analyze such a bill. We will soon see whether they do.

[Martinez] Alarcon, during an event at the House of the Americas in New York marking the 34th anniversary of the Bay of Pigs victory, it was announced that open hearings would be held as of 3 May in Cuba for the Cuban People, who need no convincing but do need to

be informed about the precise contents of this bill. The bill runs about 45 pages in length, I believe. It is a very long document.

[Alarcon] By now, I would say there are more than 50 pages, because they have been adding even worse things. I believe the last thing I was told that they had reached page 53.

[Martinez] I believe Alarcon also launched a challenge. If the law is so good, why do they not discuss it in the United States just as we will do here in Cuba. How will the draft law be discussed in Cuba, Mr. Alarcon?

[Alarcon] First, I believe the people have the democratic right to know about this extensive document known as the Helms bill. They have the right to know what it says and what it seeks to do with me, you, and all of us. We believe it is our right to know about this draft law, which has not been published anywhere. It has not appeared in any U.S. publication; it has not been discussed anywhere yet. Mr. Helms managed to get this bill, a 43-page document as you noted earlier, attached as an amendment to the defense spending bill. Luckily, several senators had the good sense to say that this was not an amendment and had nothing to do with the allocation of funds to the Pentagon and that it should be dealt with independently.

[Martinez] This included Republican senators.

[Alarcon] Yes, Republicans with some brains, we could say, and Democrats.

This is what has been discussed so far. In the House of Representatives, they held a meeting that lasted between 60 and 90 minutes. They talked to themselves. Some Miami Mafia members spoke in favor of the draft they had introduced. There was the exception of one Democratic representative who opposed the bill. This is all that the people who are staging this show have done so far. We are going to make certain that all of the Cuban people get to know, examine, and come to grips with this bill. We are doing this for one simple reason: The bill clearly tells what the worst U.S. people, as well as some people who were born in Cuba but have nothing to do with our fatherland, want to do with regard to all of us, to our country. As their representative, I will inform the people.

[Martinez] Some time ago we received a report summarizing the bill, and soon we will be receiving the text of it. This text, of course, will be received by others.

[Alarcon] Unfortunately, we cannot publish 11 million copies of this bill, because we cannot dedicate to it the tons of papers this would require. Nevertheless, we are going to publish it as much as possible. We are going to initiate meetings, the first of which will be held on 3 May, as you have noted, in Havana. This is going to be done in all of the provinces everywhere in the country. We, the deputies, the delegates, will present the bill to the people so that they may see it and so that we may all

together examine it—foremost, to exercise our right to be informed and to become aware of the true nature of our enemies.

We have to acknowledge the weight of Senator Helms' document. He probably is unaware of this, just as he is unaware of the geographic and historic characteristics of the world in which we live.

For many years, imperialism has tried to use against us all types of fallacies. They have spent millions of dollars on propaganda, campaigns, etc., but this is the first time they have taken off their mask in a really surprising way. At this moment, I am not going to explain a bill that is so extensive, but we are going to explain it later to all the people throughout the country.

Let us mention an aspect that seems to me to be fundamental and affects all Cubans. This law seeks to make the blockade even stronger, harder, but it clearly states here that this blockade, which has the objective, the goal of destroying the revolution, would not even end the day they achieve—something which they are not going to achieve—the destruction of the revolution.

If they were to secure imperialism's foremost goal, they would have, evidently, a regime of their liking, but the blockade would continue, and it would indeed continue, as it is stated here more than once, especially in a paragraph in the second heading, Clause 7: until Cuba "has returned to U.S. citizens and entities, property taken from them as of 1 January" [words within quotation marks in English] 1959. I have said this in English, because I am quoting this, but here is the translation: Has returned to U.S. citizens and U.S. entities property taken, or expropriated, from them as of 1 January 1959.

This does not refer, as has been the case up until now, to U.S. citizens who at the beginning of the revolution, in 1959 and 1960, had property nationalized as a result of revolutionary measures. In those days, as our people will remember, there was a confrontation between the revolutionary government and the U.S. Government, because the U.S. Government did not accept the Cuban law on specific ways of compensating U.S. owners.

This was the original problem between the two governments. Now this bill states in a paragraph near the end, in the chapter entitled Additional Claims, that this position will be extended to cover people who were not U.S. citizens at the time, but who now are.

What does this mean in plain language? This means discarding measures that undermined the old Mafia—Batista followers, embezzlers, and rich landowners who were Cuban citizens when the revolution began implementing measures to benefit the people, which inevitably meant putting an end to large farms and delivering houses to those who had been renting them, through the initial House Rental Law—as if this Mafia were a U.S. corporation with whom we had a dispute.

This means the law would be hurting 11 million Cubans in a very direct manner, hurting them where it will really hurt; that is, housing, your children's schools, or the hospital where you send a sick relative, or the social gathering place where you have a good time, or the day-care centers, of which there are so many in Havana and which used to be in old, stately mansions, etc. It will affect the lands of our peasants, practically everything in this country.

In turn, the real purpose of the counterrevolution is completely exposed. It is not to force us to change our political or economic regime. It is not to dictate a given orientation to the government of this country; that would not be sufficient, because the blockade would continue after obtaining all that. [Words indistinct] until the process of giving back properties to U.S. citizens, who have now more openly defined themselves. There are many more aspects to this law which our people will have an opportunity to understand. I am sure that with the help of our news media they will become aware of the threat we are facing.

I believe it is important to clearly understand the nature of the challenge facing the revolution and the Cuban people. We are dealing with a specific issue: Either we preserve the revolution, or our only alternative is... [pauses] We cannot even call it a return to the past, because it would be a past multiplied, I do not know how many times, by poverty, misery, and so on, because, obviously, these gentlemen would return with their racism and discrimination. They would return with all of the vices they took with them 35 years ago, and then some.

I believe that because of this we are going to do something which they cannot do, which is to make each individual clearly understand the text of this monstrosity. We also hope that we can render it into very specific terms: It is the home which you can touch with your hands, the school you attend, the hospital you use, and the land of all of the peasants and collective farm workers. We will do this to enable the Cubans to be informed and aware in a way which U.S. citizens cannot be informed or aware, not even the Cuban community that resides in Miami, which neither has nor could have access to this monstrosity.

[Martinez] Alarcon, this is an aspect that is seldom mentioned but which could lead all of us to a greater understanding of why this law is provoking the overwhelming international rejection it has provoked, as well as rejection within the United States.

[Alarcon] Many people in the United States are concerned because they are aware that this is such an absurd issue. The EU, which is looking into this issue and searching for a clarification of the expropriation issue, said this would lead to international chaos. No government in the world recognizes the concept of citizenship as being extendible and retroactive. It is understood that each state watches over the interests of its citizens, but

no state can pretend to defend the alleged interests of persons who were not citizens of that state and were affected in some way or another before they became citizens of that state. This seems like a [word indistinct], but Helms is to blame for this, not me. No one has given much thought to this because it is so absurd.

We now have to ask ourselves one question: Why do they consider it necessary to tighten or stiffen the blockade or pretend to do so, why if five years have elapsed since the disappearance of the Soviet Union three years of the famous Torricelli law? The answer is very simple, because their policy has not been working, because it is a policy that is doomed to fail; that is, the original blockage, the blockade with the Torricelli law, and this bill, or course, will surely generate more problems and difficulties for the United States. They will be unable to achieve their objective with this bill.

You have to be completely insane to believe that they can achieve the Neanderthal goals of the anti-Cuban Mafia and Helms-type elements whose purpose is not only to destroy the revolution in order to recover their domination of Cuba, but to return to Cuba to reorganize this country, to take it backward to where it was before. Obviously, this is something impossible to achieve, because to achieve this, votes are not enough. This process, or goal, is not decided by votes in the U.S. Senate. It has to be decided here. Those gentlemen have to come here to determine whether the people will really receive them with open arms and return their farms, their homes, their schools, their hospitals to them, and return to a period that Cubans cannot forget or disavow—a past I once described by comparing it with the [word indistinct] period, as a hellish period for the majority of Cubans.

[Martinez] Ricardo, could one suspect that another purpose of these sectors is to emphasize or define the Cuban issue in terms of domestic policy in advance of the 1996 elections?

[Alarcon] I believe it has always been said that any action in connection with Cuba has to take into account the Miami sector's interests and so on. Nevertheless, something will happen.

Now, U.S. policies toward Cuba are being Miami-ized [Miamiizado]. Up until now, the United States has based its policy toward Cuba or against Cuba according to certain U.S. interests, such as these interests are perceived—that is, in terms of ties to the Soviet Union, internationalism, differences with our foreign policies, etc., etc.

[Martinez] The migration issue responds to U.S. interests.

[Alarcon] It responds to U.S. interests, even though this matter also coincides with Cuban interests. It is now very clear, however, that U.S. policies toward Cuba are being kidnapped and held hostage by this minority group.

They were a super minority in Cuba, and now they are a super minority in Miami as well—this group of landowners and exploiters.

[Martinez] DIARIO DE LAS AMERICAS published [words indistinct] but nevertheless they are a powerful minority.

[Alarcon] Indeed, and they have not given up their dream of again returning to rule this country, to exploit workers, and to impose on other Cubans the conditions they imposed on the great majority of people during the entire pre-revolutionary period. They ignore the fact that a revolution took place precisely to put an end to these things—precisely to abolish the ownership of large tracts of land and to abolish injustice, discrimination, racism, etc. Who in their right mind could think it possible to use U.S. power and its blockade policy to reinstate an absolute counterrevolution? This, logically, is the dream and desire of this small group that wants to return to the past. I do not believe this is at all good for U.S. interests, and deep down this responds only to the very selfish interests of this minority group. This is why I say this completely Miami-izes U.S. policies toward Cuba.

[Martinez] That is why certain sectors among Cuban immigrants are urging opposition to this draft bill, and they are doing so in the heart of Cuban immigration there in Miami, in Florida in general, and in New York. In other words, this is a role for sensible people in the United States to adopt. It is not that they are revolutionaries, but that they are sensible. As far as Cuba is concerned, I believe it will be very clear to everyone.

Well, Alarcon, we will start working on this right away, and from all quarters, to support the broadest possible disclosure of the intentions behind the Helms bill. I know you have a trip planned in the near future to a nation that is a U.S. ally.

[Alarcon] And a friend of Cuba—namely, Canada. In fact, one of your colleagues, Comrade Enrique Nunez, will also travel at the invitation of the Canadian Parliament, with which we have magnificent relations. We have received several Canadian delegations, and we have accepted this invitation to renew and deepen these ties. Both Enrique and I will accompany Deputy Maria Ducasa, president of the Popular Liberty Council here in Marianao. Therefore, I will be traveling in excellent company to Canada.

[Martinez] Does Canada have any information, yet, on the Helms bill? In addition, it has...

[Alarcon, interrupting] The entire Canadian press corps has been very critical, in addition to the Canadian authorities who have very clearly let their position be known.

[Martinez] We thank Ricardo Alarcon, president of the National Assembly of the People's Government, for having appeared tonight on "This Very Day" to tell us how the New York meeting went and to announce to us

the next meeting that will be held here in Havana between official delegations of the two governments to continue monitoring the 9 September agreement. We also thank you for announcing the importance and effect of the sessions to learn the intentions of the most reactionary Cuban immigrants and also the U.S. political system—in other words, the right-wing extremists, who fortunately are losing power. Many thanks, Alarcon, and we wish you a good trip to Canada. Over to you, Hector Rodriguez, with the continuation of "This Very Day."

[Rodriguez] Many thanks, Comrade Alarcon. In fact, a television viewer has called to suggest that GRANMA publish a page a day so that in 40 some days the law could be known. This has been suggested by a television viewer.

[Alarcon] I have to creatively think about how we can ensure that all Cubans learn about this by heart, given that we are short on paper and the fact that I can think of a million ways to better use paper than to print Helms' thoughts.

[Rodriguez] As part of the media, we have to contribute to this effort. I think it is very proper to help the people learn the true nature of this Mafia and these completely backward people. On behalf of the program, many thanks, Alarcon, for your attendance. This is not the first time. You always kindly agree to our requests.

Alarcon: Migration Discussed 'Within Its Real Context'

FL2104170895 Havana Radio Rebelde Network in Spanish 1155 GMT 21 Apr 95

[Report by Zenaida Costales on news conference held by Ricardo Alarcon, president of the National Assembly of the People's Government and head of the delegation to the third round of U.S.-Cuban migration talks, on 20 April, at Jose Marti Airport in Havana; from the "Doing Radio" program—portions in quotation marks are recorded]

[FBIS Translated Text] [Alarcon] "The Helms bill is designed to complicate relations between the two countries, even prevent any chance of normalizing U.S.-Cuban relations. It is truly the project of a madman, a madman and a group of pseudo-Cuban phonies [far-santes]—this counterrevolution of Cuban origin—who are doing what they have been doing since the beginning of the Revolution: seeking U.S. aid to reestablish their privileges in the sinecures that they had in this country prior to the Revolution and acting as an instrument for the United States to make Cuba a country submitted to the United States, a Yankee neocolony, administered, usufruct, by a group of landowners [terratenientes], thieves, etc. But they are cowards, they have spent 35 years expecting the Yankees to solve their problems and return their houses, farms, factories, etc., to them. That

is what the Helms bill is about! If it has one virtue it is that it is the first time that an official document, a law, clearly states the truth.

"As the Cubans say, a lot of rubbish has been said about democracy, human rights, the market economy, and whatever else occurs to them, when in fact the only thing they are interested in is reclaiming their big estates, factories, and houses, and that is what this law addresses. Logically, with a law like this it is not possible, if it is approved, if it becomes U.S. policy, [rephrases] it would be ridiculous because it would be interventionist toward other countries [una posibilidad interviniente entre todos los paises].

"Although it has not said so in a, let us say, particularly vigorous manner, the U.S. Government has expressed... [rephrases] President Clinton recently said he does not agree with the law. We will wait and see what happens, if it becomes a law or not. Even if it is approved, they will not be able to enforce it simply because no one else on the planet agrees with it."

[Costales] Alarcon addressed the fact that the rafters have been confined at the Guantanamo Naval Base for almost one year, and that several times Cuba has pointed out the installation should not be used as a migratory center.

[Alarcon] "This is the main problem. Both governments must continue making a detailed analysis of the problem to find a definite solution that, on the one hand, considers the situation of these human beings who are victims of a 35-year-old policy that encouraged them and made them believe that they were going to be welcomed into the United States, as many other people were. Therefore, that must also be considered. We must also consider that there is no need to multiply or reproduce abnormal situations that do not correspond with the interests of either one of the two countries. That is the main issue that must be addressed to ensure the proper fulfillment of the agreement. I would say that it was the core of what we did in New York these past few days, and it should be the core of what we will continue doing in the next meeting—which will be held, as I said before, in the near future."

[Costales] It has been noted that Cuba usually tries to bring up other issues at the migration talks, asked if he had broached other subjects, Alarcon said:

[Alarcon] "If you were to ask Mr. Hays he surely would have said that I did not hold back at all. I cannot stress enough that I always discuss the migration issue within its real context, including factors that contribute to it, and—as we have done here—the multitude of things that go beyond migration. Aside from this, we were not only talking with them, we were in a city where many people were talking about the blockade, the Helms bill, the need to change U.S. policy toward Cuba, and of course these are issues important to Cuba and, as such, influence the migration talks."

Helms Bill Said To Ignore Sovereignty of Nations

FL2004164795 Havana Radio Rebelde Network in Spanish 1155 GMT 20 Apr 95

[Commentary by Eduardo Dimas; from the "Doing Radio" program]

[FBIS Translated Text] Good morning. International law dictates that the sovereignty of one state ends where the sovereignty of another begins. Therefore, the laws of a nation cannot be applied outside its borders because this would violate the other nation's sovereignty. This is one of the many violations of the so-called Helms-Burton bill on its way to passing in the U.S. Congress, which not only ignores Cuba's sovereignty, but the rest of the world's as well.

Allow me to quote certain portions of this fascist monstrosity: Ninety days after the approval of this bill and each year thereafter, the President will submit a report to Congress on nations who have aided and traded with Cuba during the previous year. This report will include: 1. A description of all bilateral aid, including humanitarian aid received by Cuba. 2. A description of trade between Cuba and other nations, including names of trading partners, and the extent of the business dealings. 3. A description of current or planned joint ventures, including the location of facilities, terms of the agreements, and names of parties involved. 4. A determination if any of the previously mentioned facilities are the object of a claim against Cuba by persons from the United States. 5. A determination of Cuban debt to every nation, including any amounts swapped, forgiven, or reduced in each investment, or operation of foreign companies or individuals in Cuba. 6. A description of measures adopted to prohibit the entry from foreign companies of Cuban raw materials, and manufactured or partially manufactured goods into the United States. Sugar, syrup, and molasses products will not be permitted into the United States if they are produced in a nation that has purchased Cuban sugar.

That means that the United States will have to monitor not only Cuba's trade with the world, but the trade activity of all countries that maintain any contact with our country, and impose sanctions on them.

However, there is something even more misdirected; I quote: Declared excludable and barred from entrance into the United States is any foreigner who: 1. Has confiscated, directed or supervised the confiscation or conversion, or has converted for their personal benefit, properties claimed by persons from the United States. 2. Buys and sells such properties. 3. Owns, or is an official or stock holder of an enterprise that the United States determines or has knowledge that it has been involved in the confiscation, trade, or use, or benefits from property claimed by persons from the United States. 4. is the spouse or child of individuals described in clause no. 1.

In the Helms-Burton bill persons from the United States is intended to mean U.S. citizens and businesses who

were Cuban citizens when properties were nationalized, and who later became U.S. citizens. That means those Batistans, embezzlers, and creole exploiters are included in this category.

However, the strongest disregard of sovereignty is illustrated in the following portion of the bill: It is established that the persons mentioned in the previous paragraph are responsible to U.S. claim holders, and to stipulations established by the law under the exclusive jurisdiction of U.S. courts, which shall also suspend the principle of states sovereign immunity.

This means that any U.S. court can suspend sovereign immunity of all the nations in the world. It would be the same as if the United States imposed imperial powers over the rest of the world. I recently said that this was a fascist bill that reflects the weakness of an empire losing its edge in the wake of pressure from other nations. It is reasonable to conclude that it is also a symptom of the desperation of those who believe that the failure of the Revolution was inevitable after the fall of the socialist camp. Now they are discovering that it is not so, and Cuba is slowly increasing participation in the world economy, and that each day there are more enterprises negotiating with Cuba. I will save the bill's affects on Cuba for a later commentary.

GRANMA: Bill Will Harm U.S. Interests

PA2104010995 Havana PRENSA LATINA in Spanish
1513 GMT 20 Apr 95

[FBIS Translated Text] Havana, 20 Apr (PL)—Today, the newspaper GRANMA stated the approval of a bill by U.S. Congressmen Jesse Helms and Dan Burton will harm U.S. interests and reinforce the Cuban people's internal cohesion and patriotism. This is one of the newspaper's conclusions in the fourth and last part of a commentary on a proposal to tighten the embargo against Cuba. "The majority of the Cuban people have regarded the United States so far as their worst enemy and have declared themselves proud of being Cubans. The Helms-Burton bill will result in a marked increase of this nationalist reaction," GRANMA stated.

In addition, the newspaper stated the plan, described as reactionary and base interference, proposes to the U.S. Government to legitimize annexationism and to turn Cuba into a U.S. protectorate.

GRANMA added: Burton and his followers at the Hemispheric Affairs Subcommittee have just amended the plan in an attempt to complicate even further the relations between U.S. businessmen and those of third countries so as to encourage the filing of claims once the proposal is approved.

Among other points, the proposal mentions the return of all properties that had been seized from U.S. citizens and agencies in exchange for compensations, thereby abiding by the decisions issued by the exclusive authority of U.S. courts.

The proposal refers to the rights granted to U.S. companies and citizens (even of Cuban origin) to charge to the defendant the costs of lawsuits and lawyers' fees should U.S. courts decide in favor of such U.S. companies and citizens.

GRANMA stated later there exists once again an attempt to trample on both international law established in the UN Charter and international human rights agreements in the name of human rights. "It is necessary for the people to know what kind of 'government' the United States has in store for the future of Cuba after the Yankees succeed in destroying the revolution."

The commentary speaks about the purpose of installing a "transition government" that would pave the way for Washington guided elections, the results of which, together with the resulting "democratic government," would have to be proven to the U.S. President.

Some of the subjects discussed by GRANMA include U.S. aid to train the Cuban military forces and negotiations for the probable return of the Guantanamo Naval Base (illegally occupied by the United States), as well as an economic assistance program. "They promise us everything, even what they denied most of the Latin American presidents in the recent Miami Summit; that is, the promotion of a quick incorporation into the free trade agreement."

In conclusion, the GRANMA commentary stated there are only two alternatives if the Helms-Burton bill is approved. The first one is this new U.S. pressure. "Most of the Cuban people know the country and independence are at stake. This proposal unashamedly demonstrates this point by the 'government' they want for Cuba. We will never give up." The second alternative is "this new pressure not working, as has happened with more or less tension throughout these 35 years, and Cuba getting out of the jam, even if slowly." In both instances, the United States would be harmed, GRANMA concluded.

Lawyers: Bill Violates International Law

PA2104154895 Havana PRENSA LATINA in Spanish
2204 GMT 20 Apr 95

[FBIS Translated Text] Havana, 20 Apr (PL)—The National Union of Cuban Lawyers (UNJC) has denounced the fact that the bill U.S. Congressmen Jesse Helms and Dan Burton are promoting violates the principles and guidelines comprising the UN Charter and international laws.

The approval of the bill, which also violates the U.S. Constitution, is attempting to turn Cuba into a colony or an annexation model more dependent than any U.S. state, including Puerto Rico in its freely associated state status, the UNJC pointed out.

At a UNJC National Council meeting, the Cuban lawyers rejected the legality of the Helms-Burton bill's

objective to stress and broaden the economic embargo and to toughen the sanctions against the island.

In this regard, they also referred to the measures against countries, businesses, or people who fail to support these objectives, especially trade partners.

This law, the union warned, would infringe upon the right that each state has to exercise full and absolute jurisdiction of its sovereignty. No country is subordinated to another country in this regard, the UNJC stated.

It also pointed out that this law does away with the principle of international immunity by which a government cannot pass judgment on actions another government, which is its equal, carries out.

The sanctions included in the "Law on Trading With the Enemy" would be enforced on all people or institutions ignoring the restrictions to travel to Cuba.

Moreover, this law will also adversely affect those companies and countries trying to directly or indirectly sell raw materials or products assembled or partially assembled on the Caribbean island in the United States.

The UNJC recalled that many governments and entities have rejected these legislative projects, including the EU, which believes these projects adversely affect their trade interests.

The EU recently pointed to the incompatibility of the text of the Helms-Burton bill with the World Trade Organization regulations and warned that, if this bill is approved, the old differences with the United States on unilateral and extraterritorial issues will reemerge.

The UNJC also urged all lawyers in America and the world, law schools, nongovernmental organizations, and other institutions to challenge and condemn the unconstitutional Helms-Burton bill.

Commentary: Helms Remarks at Miami Meeting 'Demented'

PA2204233595 Havana Radio Havana Cuba in Spanish
0000 GMT 21 Apr 95

["Station Commentary" read by Norberto Hernandez; from the "Evening Information Review" newscast]

[FBIS Translated Text] U.S. Republican Senator Jesse Helms' fierce offensive against Cuba is approaching the ridiculous.

Invited by Cuban-born millionaire Jorge Mas Canosa, the fascist head of the Cuban American Foundation, to participate in a sparsely attended meeting in Miami, Senator Helms made all sorts of bizarre statements to please the small crowd that applauded him madly.

He gave a detailed explanation of the bill he is promoting with Representative Dan Burton, also hired by the Foundation to promote the anti-Cuban wave in the U.S.

Congress, which is now—since the most recent congressional elections—under Republican influence.

He described each measures of the bill and repeated the well-known assortment of threats he has made against governments and enterprises that either have investments or plan to make investments in Cuba and against entities that do business with Cuba in exercise of their sovereign rights.

Helms explained his absurd idea of demanding the same rights for officials of the Batista tyranny whose properties were expropriated by the Cuban Revolution and who now are U.S. citizens as those claimed for U.S. companies that were nationalized.

In the peak of his fantasizing, he urged the Clinton administration to order a naval blockade of Cuba to force Castro to leave power.

In another demented outburst, he compared the Cuban president to Adolph Hitler and demanded that the Cuban revolution be crushed.

Senator Helms apparently is living in the era of Joseph McCarthy, with his witch-hunting of the 1950's and his delirious congressional sessions in which he falsely accused the best of the U.S. intellectual family of being communist.

Helms' life is loaded with ultrarightist political transgressions and drastic, blaring positions to win the support of the most reactionary circles.

Helms has spoken against the peaceful solution of conflicts in Central America and against treaties returning the interoceanic canal to Panama. He has fully supported the Pinochet military dictatorship in Chile and the military regimes of Argentina that killed and disappeared thousands of Argentines; was on the side of Bolivian coupist General Luis Garcia Meza, who has been extradited for his connections to drug traffickers; and in the recent Haitian process, he has related to General Cedras and the Tonton's Macoutes and has said that President Aristide is a psychopath.

Expulsion, Macias Decision Widening Differences With U.S.

PA2204223495 Havana Radio Havana Cuba in Spanish
0100 GMT 21 Apr 95

[Commentary by Roberto Morejon from the "Evening Information Review" newscast]

[FBIS Translated Text] In recent days, the United States made two decisions that could be interpreted as additional efforts by the most anti-Cuban sectors of that country to fuel the profound differences between Washington and Havana.

If the expulsion of two Cuban diplomats accredited to the United Nations who in August of last year prevented an assault on the Cuban mission was considered absurd,

the Miami Immigration Board of Appeals' decision to release the assassin of a Cuban Navy officer is seen as more bizarre and dangerous.

U.S. authorities expelled Cuban diplomats Saul Hermda and Edmundo Suarez eight months after the two thwarted an attempt by Cuban-born emigrants to raid the official Cuban mission as the New York City police acted with indifference.

Now there is this report about the release of a confessed assassin, Leonel Macias, who in August of last year seized a military boat on which he used to work and fled to the United States after treacherously murdering Officer Roberto Aguilar Reyes.

Macias was released despite evidence presented by Cuban authorities, the existence of witnesses to the criminal action, and the fact that Macias and his accomplices admitted that the events occurred as reported by Havana.

Orlando Bosch, a Cuban citizen who is one of the two masterminds behind the 1976 midair explosion of a Cuban passenger airplane that killed 73 persons, enjoys similar privileges.

Assassins, hijackers, thieves of resources that belong to Cuba, and vulgar common criminals have received protection in the United States for over three decades. However, the release of assassin Leonel Macias is also aimed at boycotting the dialogue on migration matters between Cuba and the United States, which concluded Wednesday in New York.

The impunity with which Macias was handled and the unjust expulsion of two Cuban diplomats who were doing their duty to protect the diplomatic mission represent a bolstering of maneuvers to further deteriorate bilateral ties.

The most reactionary sectors in the U.S. Congress and ultraright Cuban immigrants want to create a suitable environment for the approval of the bill promoted by Jesse Helms to tighten the blockade against the Caribbean island.

The White House and the Miami appeals board have played their game.

Boat Hijacking Trial Under Way

PA2104181695 Havana PRENSA LATINA in Spanish
1601 GMT 21 Apr 95

[FBIS Translated Text] Havana, 21 Apr (PL)—A Havana people's court early this morning concluded the first hearing of a trial against seven Cuban citizens accused of hijacking a passenger ship to force it to the United States.

Prosecutor Edelmira Pedrid Yumart of the Crimes Against State Security Court has filed hijacking charges

against Lazaro A. Garcia Farah, 27; Luis Campos Corrales, 28; Charles Valdes Suarez, 30; David Aguila Montero, 21; and sisters Mayda Barbara, 28, and Alianes Jordan Contreras, 24.

Pedrid Yumart accused Ramon Fidel Basulto Garcia of hijacking and murder. Basulto Garcia is involved in the death of Gabriel Lamoth Caballero, a noncommissioned officer of the National Revolutionary Police, with whom he wrestled in order to neutralize him in an effort to accomplish his objective of reaching the neighboring country.

For nearly 18 hours, judges, defense attorneys, and the prosecutor participated in a hearing attended by relatives and friends of the accused, national and foreign journalists, and common citizens. The hearing included oral testimony, films, and statements by passengers in the boat, as well as from other witnesses, and legal medicine and criminology experts.

According to statements by the seven people facing Suit No. 37 of 1994, after two hijacking plans that were to be implemented between 29 July and 3 August 1994 failed because of heavy police presence in the Havana Bay area, they decided to seize the intercity passenger transportation boat on 4 August.

They admitted that there had been meetings in the residence of Garcia Farah in the Havana suburb of Marianao to coordinate the acquisition of fuel (60 liters of petroleum they obtained with 720 pesos), a (.38 caliber) revolver, knives, and other devices.

The accused reported that after the ship had departed for the neighborhood of Regla, also in this capital, and was approximately 100 meters from the dock, Garcia Farah unholstered the firearm and announced in a threatening voice that the ship was being diverted to the United States—a move that was supported unanimously by his accomplices.

Shouting obscenities and engaging in other forms of intimidation to force the passengers to obey, the sisters Garcia Farah and Jordan Contreras precipitated a climate of panic and urged everybody to hit the floor, after which they then broke down the door to the captain's cabin.

They added: That is when Valdes Suarez used a hammer Mayda Barbara Jordan gave him, broke the cabin window, and managed to reach the captain. Meanwhile, Alianes, who was carrying two small children (one of them of nursing age), made sure that the authorities were aware children were on board.

A video shot by a Cuban television cameraman, who was coincidentally engaged in other activities near the port, quite clearly shows Alianes at one of the side doors with a minor, whose arm she twisted roughly. She denied the accusation despite the evidence.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Likewise, during the hearing it was learned that Alianes Jordan also intimidated the other passengers from the beginning, claiming she had grenades—a statement that proved false—and, once she entered the cabin, she, along with the others involved in the plot, attacked the captain.

Moreover, the outlaw Luis Campos Corrales, alias Macho, who was Lazaro Alejandro Garcia Farah's brother-in-law at the time, admitted he stood beside the life preserver cabinet in support of his comrades. He later used a replica of a Makarov pistol to pretend Mayda Barbara Jordan, who encouraged the action, was his hostage.

David Aguila Montero, described as a habitual vagrant of dubious character by a police instructor who investigated his participation in the case, shouted he was prepared to die because he had AIDS and he had had it; in Cuban slang, this means he feared nothing.

Once they managed to gather inside the cabin, Charles Valdes was identified as the man who asked his comrades to be judicious and not attack the captain—an action that the captain recognized and that contrasted with his threatening tone when he struck the wall with a small machete and demanded tranquility and obedience from his hostages.

Almost as soon as the Regla boat—as it is popularly known here—departed, Ramon Fidel Basulto Garcia walked along the starboard side toward the bow, where crewmembers and Agent Lamoth Caballero were located. He managed to win Lamoth Caballero's trust in a deceitful manner.

"Hurry, man, go back there, because things are getting dangerous," Basulto said—according to his own statements—to the National Revolutionary Police member, acting like a victim and using the ruse to seize the weapon.

Taking possession of Lamoth's regulation pistol, a Makarov, the accused Basulto Martinez began to struggle with him and applied a stranglehold, a maneuver to apply pressure to the throat (in the words of the experts of the Legal Medical Institute), which made Lamoth unconscious before he fell into the sea.

After the recovery of the body and an autopsy, expert Jorge Gonzalez Perez declared that an acute hemorrhage caused by substantial pressure was detected in the tissues under the neck and that death was caused by affixation from liquid in the respiratory tract.

Preliminary findings show that none of the accused are mentally disabled, although they point out personality disorders and aggressive behavior in many of the accused.

The Prosecutor's Office has asked for the death penalty for Basulto Garcia; 30 years imprisonment for Lazaro P. Garcia, David Aguila, Luis Campos, and Charles Valdes; 20 years for Mayda Barbara Jordan Contreras; and 15

years for her sister Alianes. It exempted Alfredo Perez Perdomo from standing trial because of mental incompetence.

It was announced that 17 other people involved in the seizing of the Baragua vessel last summer are listed in a dossier and they will be tried for the crime of illegal exit from the country.

On Friday, the tribunal will meet again to hear the final oral summation from Prosecutor Edelmira Pedris and the six defense lawyers, after which the trial will conclude awaiting a verdict.

Request for Death Penalty Denied

PA2204135495 Havana Radio Havana Cuba in Spanish
0000 GMT 22 Apr 95

[From the "Evening Information Review" newscast]

[FBIS Translated Text] The Cuban Attorney General's Office has changed its original request for the death sentence, reducing it to 30 years in prison, for Cuban citizen Ramon Fidel Basulto Garcia, who is accused of hijacking and homicide in connection with the incidents that took place in Havana last August.

During the trial in Havana, it was learned that Gabriel Lamoth, a noncommissioned officer of the National Revolutionary Police, was unconscious when he fell into the sea as a result of blows received in a struggle with Basulto Garcia. At that time, Basulto Garcia was attempting to hijack a passenger craft in a bid to divert it to the United States.

The Attorney General's Office maintained its requests of 30, 20, and 15 years in prison for the five people involved in the incident while it exempted one of the perpetrators because of mental deficiency. The hearing is expected to end and a sentence is expected to be pronounced within the coming hours.

Hijacker Gets 30 Years

FL2204152995 Havana Radio Progreso Network in Spanish
1000 GMT 22 Apr 95

[From the "First Thing" program]

[FBIS Translated Text] On 21 April the Attorney General's Office changed its original request for the death penalty and asked for a 30-year jail sentence for citizen Ramon Fidel Basulto Garcia, accused of hijacking and murder in connection with incidents that occurred in August 1993.

Foreign Ministry Denies Attack on Military Academy

PA2004160895 Mexico City NOTIMEX in Spanish
2345 GMT 18 Apr 95

[FBIS Translated Text] Havana, 18 Apr (NOTIMEX)—Today, Tuesday [18 April], Cuba officially denied an

attack was waged against a military academy approximately 15 km east of this capital, as an armed group of ultra right-wing exiles has claimed in Miami.

Rafael Dausa, spokesman for the Cuban Foreign Ministry, told NOTIMEX the alleged attack "never happened." Dausa added that no other such incidents have occurred, no one has been arrested, and no one is being sought in connection with any similar recent event.

The spokesman said: The report was released by the paramilitary National Democratic Unity Party (PUND) and "is a product of the hot-headed minds that abound in South Florida."

The Maximo Gomez Military Academy of the Revolutionary Armed Forces, which PUND mentions in its report, is located in Bacuranao in Havana's Playas del Este area. Sergio Gonzalez Roque, leader of the armed group, told Florida journalists that PUND strafed the academy early Monday, but he would not give any further details.

Pinar del Rio Provincial Assembly Elects New President

FL2104235095 Havana Radio Rebelde Network in Spanish 1700 GMT 21 Apr 95

[From the "National Radio News"]

[FBIS Translated Text] Pinar del Rio Provincial Assembly of the People's Government [APPP] delegates recently elected Comrade Vidal Perez Banos president of the APPP and of the (?Vuelta Abajo) Administrative Council. Correspondent Jose Cabrera Peinado has more:

[Cabrera] Comrade Perez Banos served as a youth leader for 16 years. He was appointed a professional Cuban Communist Party [PCC] cadre in 1985. Perez Banos served as a permanent member of the PCC's provincial Pinar del Rio bureau. The candidacy commission's nomination was made in accordance with the electoral law and was submitted to the APPP for the delegates' consideration. They unanimously voted in favor of the nomination.

Maria del Carmen Concepcion Gonzalez, PCC first secretary in the Pinar del Rio provincial party leadership, expressed her confidence that Comrade Perez Banos will improve the quality of the provincial people's government work.

Fidel Castro Addresses Cuban Athletes

FL2104125695 Havana Tele Rebelde and Cuba Vision Networks in Spanish 2130 GMT 16 Apr 95

[Address by President Fidel Castro to Cuban athletes during a ceremony in their honor after the Pan-Am Games at Havana City's Convention Center on 14 April—recorded]

[FBIS Translated Text] Dear comrades: I do not come to summarize what occurred, that has already been done. I am not here to give the main speech, Maria de los Angeles [Garcia, member of the Communist Party of Cuba Central Committee Politburo] already did that and very well. I come here—before you rile me up and make me speak—simply to salute our delegation. That is why I am going to be very brief because you have other things to do. I think there is a reception or something like that and usually you have good appetite. I think there is enough for everyone. You have to start getting ready for future competitions and the Olympic Games.

I wanted to point out several things. First, it was known that this competition was going to be very difficult. I knew this, I had no doubts—I mentioned it before someplace, but I cannot remember where—because everyone had trained harder. For example, the Olympic Games have become an event of maximum world attention, and for many people it is a huge business. All countries make their best efforts. Our Latin American brothers, even though their situation is difficult and no one worries about sports except for those who are great fans and those who are really dedicated. In any case, they are already aware of the importance of these events. [Words indistinct] efforts, especially, our strongest rival, our northern neighbor. They have almost taken over all the international competitions based on their influence, resources, and the means they have. They have massive means and businesses involving sports. They are getting ready for the Olympic Games. They could not tolerate being beaten by us one more time, the fact that we would be in first place. You can see that they are training intensively for the Olympics.

They want to introduce some professional sports, as well. The baseball issue was hotly debated and no one knows how that is going to end. I do not know what ideas the comrades—Manolo [not further identified]—have on whether or not baseball is going to be for professionals. Whatever happens, we are not scared. When it comes to batting, let's see how they handle themselves in front of our pitchers, if they were to send professionals to play against amateurs. In any case, that is what they are trying to achieve. Right now we say; we are not scared. Experience proves that our pitchers and players are constantly improving. We have a greater number of home run hitters. Here anyone can hit a home run, standing there at home plate.

We are not affected by that problem, however, we will fight against it in the same manner in which we have fought against professionalism in sports. In that area they dominate, such is the case in basketball. They humiliate everyone while they stay in the best hotels and no one sees them expect during the games. Those are the things that derive from professionalism in sports, but, unfortunately, we have gone through a period where professionalism is widely involved with amateur sports. This always affects countries with fewer resources. In any case, they are getting ready.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

We knew that they were going to train well for the Olympics. They will compete in more sports. I am told that the United States participated in 40 sports and we competed in 28 sports. However, in those events where we did compete, in general, we beat them. To top things off, we beat them in track and field. That is something very surprising. Therefore, we are going to find ourselves competing against a much stronger U.S. team.

Cuban coaches are scattered all over Latin America and they are promoting and developing sports. Cuba contributed to the organization of the Pan-American Games with our experience. We saw the results of those efforts, the results of Cuba's cooperation. We were happy, we should not be selfish. We want Latin Americans to have greater participation and win more gold medals. It is astonishing; we have won more gold medals than all the rest of the participating Latin American countries combined. If we were to add up their medals and Cuba's medals, the total would beat the United States. This means that we Latins—almost without resources—beat the United States in the Pan-American Games. We should be very happy about that, moreover, we should even be happier because we have cooperated in that success.

In any case, there are some medals that we helped them win—against our own teams—this also happened in the Olympic Games. I remember that Irishmen who beat one of our boxers; that hurt us because with only two more medals we could have been in fourth place in the Olympic Games in Barcelona. That is why when there was talk about 140 gold medals, I said we could not think about obtaining 140 gold medals. If we surpassed 100 gold medals it would already be a great success. That was the goal that we had set for ourselves. We began to get impatient—because reaching 100 medals was taking a long time—but we reached the goal and surpassed it. After 100 medals came 110 medals and finally 112 medals. As has been said here today, it was a great success.

It was truly a great success, as was said here earlier. These are the best results we have ever had outside Cuba. I think the results were better than in the Pan-American Games that took place here in Cuba four years ago. Our delegation's participation was extraordinary in all respects—in their competitive ability; their extraordinary quality; the many unexpected victories; in the records of all kinds that they established; in discipline, morale, patriotism, dignity, and honor. It was also very heart warming to see the recognition we received from the Argentine people, even after the campaigns against Cuba. It was heart warming and so good to see that the participants who received the most applause—after the Argentine delegation, which is logical—was the Cuban delegation, without doubt, both, at the beginning and at the end of the games. We are grateful for that and it contributes to strengthening relations between the Cuban and Argentine people, as well as relations between our countries and Latin America. I am sure that

it would be the same, the same sentiment in any other Latin American country. It was something outstanding and it is only fair to mention it here—during this ceremony—and express our gratitude to the Argentine people.

As Maria de los Angeles stated, everything has been a great victory, in every sense of the word. We have valid reason to feel satisfied and, even more, proud of our delegation's participation. However, even before the Pan-American Games had concluded, we were already thinking about the Olympic Games. What is going to happen in the Olympic Games? The games are going to be very difficult. I do believe that we can obtain more medals than in Barcelona. We must defend our fifth place, no matter what, and everyone else better get ready because we are going to get ready. Soon, Mar del Plata will be history, we will have to look forward to forthcoming world and international competitions, but above all we must prepare for the Olympic Games in Atlanta.

I was thinking that it is noteworthy, that even now when Cuba is having problems and difficulties of all types and in all sectors, we have been able to achieve these great results. We see that what we have sown for many years has born fruit. We could not lose and we will not lose. Perhaps our enemies thought that we would be out of shape in Mar del Plata. On the contrary, we were very much in shape. We have returned with higher spirits. We must prove that Cuba is a powerful country in the sports sector and we are going to do so in the Olympic Games.

This time you will not have to travel so far, and I think there will not be any time zone changes, something that occurs many times. I do not know if they will invent award ceremonies at 0400 and things of that nature, so the television networks can broadcast them to Europe, or something like. I remember what they did during the soccer championships, having games played at midday when it was tremendously hot. They had no consideration for the athletes, just as long as the game took place at a good time to be seen in the United States or other parts of the world. Let us hope—anything could happen—that the competitions take place at the right time.

We hope to have more hours of radio and television broadcasts during the Olympic Games. We have discussed here the excellent job done by the reporters, but it was limited. We only had 70 hours of television broadcast and it was very expensive. It was possible only through the great efforts made by our own technicians who, cooperating over there, collected a certain amount of money, as well as to commercials. We were forced to air commercial messages. Well, I do not know... [pauses] wines and other things; once in a while they were commercials about tourist products and those products sold in the foreign currency shops. Cuba was not paying for those spots.

In any case, with the technicians' work and the commercials we obtained the necessary amount of money—not a

small amount—to allow Cuba to enjoy the championships, even if the viewing time was limited. We would have wanted 100 or 120 hours, but we could not even pick up the broadcast. Sometimes, when we have no other alternative, we catch the broadcast some way or another and we rebroadcast it. However, it is always better to have our announcers there, but in Argentina it was somewhat complicated. Through this complication millions of viewers—several million people—could not see the games because there were certain organizations that did not reach an agreement. We had to be innovative to broadcast what we broadcasted. Let us hope that those same problems do not appear during the Olympic Games, but in any case we would arrange something. We hope that our people will be able to enjoy the games. I say enjoy because, truly, our people, everyone, enjoys these games. During these games we all participate one way or another; we swim, box, and vault.

I think that we have broken Sotomayor's record on several occasions because when he jumps all of us jump with him. It is as if the bar were placed 10 meters high [chuckles]. Everyone participates, I think there is no other country in the world that participates and enjoys its athletes' participation and efforts as much as we do here in Cuba—Cuba, the country that they thought could not stand and fight, and in Mar del Plata we have just given them a tremendous lesson. I am sure that all of you feel very proud of what you have done, of the lesson you have given in Cuba's name. However, we must get ready—as best we can—for the Olympic Games.

Everyone, the Communist Party of Cuba, the government, young people, and mass organizations has thanked each and every one of you—including coaches, doctors, and psychologists—here today. Everyone has to work harder than ever to be ready for the Olympic Games, that must be our main objective. We know the games will begin in August of 1996, so we have at least 15 months ahead to get ready; we must train hard. Amid all our difficulties, we must find a way to train as much as possible. It was mentioned here today that the rhythmic gymnasts had not participated in any international competition, but during this competition they had great success. See the largest number of competitions possible [pauses] the situation of resources and means [pauses] everything that has to do with getting ready for the games. Even now, we are getting ready for the Olympic Games, for that difficult contest.

Only four years after Barcelona, we are going to show our adversary who Cuba and the Revolution are. I say Cuba and the Revolution because sports were promoted by the Revolution. From a ridiculously small amount of victories and a few gold medals—we were as bad or worse than the rest—to the situation we had in these games when our national anthem was heard over 100 times. Over 100 times our flag—with the lone star—was hoisted: our flag, the flag that headed our struggle in '68 [1868 outbreak of the 10 year war of independence against Spain]; the same flag that Marti and Gomez

brought with them 100 years ago; the flag that has seen so much fighting and glory. Over 110 times our flag was hoisted, during the most difficult period of Cuba's history. Our flag will be hoisted and our national anthem will be heard in Atlanta.

All of you have competitor's hearts and souls. I can just imagine how many dreams and ideas you have. I can imagine just how many of you are thinking of improving your results, in your sport. This is very important due to the difficult times we are experiencing and that is why we must give it our greatest effort. I said that sports was an accomplishment of the Revolution. It was accomplished by socialism. Without socialism, sports would never have developed. Just look around and see what is happening out there, in many other places where sports have been corrupted. They are destroying sports. No one will be able to corrupt or destroy the accomplishments we have had in sports.

Let us analyze what we have done up to now. Let us advance our work in the sports sector by applying science, technology, and art. I repeat, let us work harder. Let us find all the weak points we still have and ask ourselves what we should do, always with our thoughts focused on Atlanta, with determination and will, so once Cuba is there, it will be in the running. Let us try to compete in the sports in which we have not participated before and to improve in other sports. From this very moment, let us face that challenge together—all of us are going to be with you—so that we can come out as winners. After Atlanta we will meet here again to talk about our athletes' success.

In Atlanta, we will maintain the laurels we have won and we will obtain new laurels. Much will depend on the cooperation you will be receiving, but essentially whatever is done will depend on you, athletes, coaches, trainers, and everyone who works in sports. That is the goal of this meeting. We must work from this very moment so that our country will obtain more glory than ever before, during the forthcoming games.

We congratulate all of you. When they told me I had to give an award to each of the gold medalists I asked: How many are there? I was very pleased to dedicate several minutes—I say minutes because I do six signatures per minute—and it took me 20 minutes to sign all the certificates. I do not want you to think that I have a rubber stamp. Compare signatures and you will see that there are no two alike. When I had signed 120 someone said: That is not enough. I knew it was not enough because the team sports' medalists—where gold medals were won but only one medal is given for the whole team, even if team members competed and won many games and even though each one should receive an individual medal—are counted as one among the 112 medals obtained.

If we were to add those team sports' athletes individually there would be many more medalists, as the sign reads Mar del Plata would be filled with gold.

I thought of each one of you while I was signing the certificates. You have no idea just how convinced I am that you will obtain even higher honors! You deserve them. Congratulations, you deserve them, those of you who have received certificates and those who did not, every one of you. Of course, there must always be some type of distinction between gold, silver and bronze medals, but I have seen how many of you—during your athletic careers—have turned bronze into silver and then into gold medals. In those areas where we were not able to turn bronze into silver, it will happen in other competitions, with more work.

I am not going to say that we should compare the Pan-American Games to the Olympic Games. During the Olympic Games we confront the entire world, all of Europe and Asia, with over 1.2 billion or so Chinese, who have also intensified their training. We will face the Australians, who are already organizing the Olympic Games of, I do not know for what year. There will be many strong adversaries and all of them are hiring coaches. Some countries may ask us for coaches for the Olympic Games; they already did so before the Barcelona Olympic Games. We must be careful and not send all of our best coaches. The coaches we send must be good, but we cannot go overboard. Luckily, there are many coaches in Cuba. Cuba is the country with the largest number of coaches per capita, no other country has as many as we do. It is quite possible that certain countries will ask us for help to—in many cases—strengthen sports in those countries. Just imagine, the Chinese people—1.2 billion people—strengthening sports! They are our closest rivals, we contended with them for fourth or fifth place. They have more resources than we do, more population, and—just think, how we placed in regard to China and Australia!

During the past Olympic Games we had to contend with Spain because being the country hosting the games has a number of advantages, even psychological advantages—support, and crowd support.

In any case, this is what I wanted to highlight: from this very moment let us concentrate on the Olympic Games. Do you agree or are you going to rest on the laurels obtained in Mar del Plata? We will be very attentively following each and every one of your activities and sports, as well as your results. You will never have so many eyes upon you, observing what you are doing, how you are doing it, and how you improve. At the same time, we are sure that—as always—you will meet the Cuban people's highest aspirations and that you will never betray the confidence that the fatherland has placed on its honorable and brave athletes.

Socialism or death! Fatherland or death! We will win!
[applause]

Economic Cooperation Minister Arrives in PRC

FL2204012995 Havana Radio Rebelde Network in Spanish 2300 GMT 21 Apr 95

[From the "Exclusive" program]

[FBIS Translated Text] Ernesto Melendez Bachs, foreign investment and economic cooperation minister, has arrived in the PRC on a working visit. Melendez heads the Cuban delegation to the fourth session of the joint commission on scientific-technical cooperation, which will be held in Beijing. Representatives from the two countries will sign the final document on scientific-technical issues for 1995 and 1996 on 22 April.

Santiago de Cuba Ends Sugar Harvest Program

PA2304045595 Havana PRENSA LATINA in Spanish 2050 GMT 21 Apr 95

[FBIS Translated Text] Havana, 21 Apr (PL)—A GRANMA newspaper report today states that the eastern province of Santiago de Cuba has fulfilled the current sugar harvest program now that six of its eight industrial plants had finished the program.

The daily points out that sugar plants in that area stand out because they received first place in the sugar yield competitions. They province also has a more productive sugarcane grinding process and produces more sugar, surpassing the established technical standards.

In recent statements to the press, Cuban Sugar Industry Minister Nelson Torres said sugar workers in that province deserved special recognition for their continued tenacious work during the harvest.

The source did not report the amount of sugar produced by Santiago de Cuba during the current harvest and says several industrial plants continue to work to give the country a modest surplus.

Guantanamo Province Reaches Sugar Production Goal

FL2404005195 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 23 Apr 95

[From the "NTV" newscast]

[FBIS Translated Text] Guantanamo Province is the second Cuban province to reach its sugar production goal during this difficult harvest. Four of the province's sugarcane complexes surpassed their production goals: The Manuel Tames sugarcane complex's sugar production surpassed its goal by 12 percent. Guantanamo began its sugarcane harvest under difficult conditions, as all roads were affected by last November's heavy rains. It was known that hosting the 26 July anniversary's national ceremony depended on reaching the production goal. Although the technical and economic goals that were met were small, these goals had not even been met during the last two harvests. Several of the province's sugarcane complexes, in addition to completing other tasks, will continue producing over the next few days, adding a modest amount to Cuba's overall production:

[Begin unidentified speaker recording] We would like to inform the sugar industry minister that Guantanamo Province's pledge will only be met if we can conclude the

planting and fertilizing campaign, as well as other agricultural tasks, with positive results. We will accomplish this with a record-breaking campaign. This is the manner in which a province strives to win the honor of hosting the 26 July national ceremony. [end recording]

Roundup of Economic Developments

FL2204174595

[FBIS Editorial Report] The following is a compilation of reports on Cuban economic developments monitored through 22 April.

An announcement of the outage schedule for 20 April: from 1000 GMT to 1600 GMT, circuit 30 in Santa Clara, circuit three in Caibarien, and circuits one and two in Sagua la Grande; from 1000 GMT to 2100 GMT, circuits two and 10 in Santa Clara, circuit three in Placetas, circuit one in Ranchuelos, circuit one in Remedios, circuit two in Santo Domingo, circuits eight and 29 in Sagua la Grande, and circuit two in Quemado de Guines; from 1600 GMT to 0000 GMT, circuits five, eight, nine, 12, 13, and 26 in Santa Clara, circuit two in Placetas, circuit two in Caibarien, circuit one in Zulueta, circuit one in San Juan, Manicaragua, Guinia, and Matagua; from 2100 GMT to 0000 GMT, circuits one, four, 11 and 30 in Santa Clara, circuit one in Placetas, circuit three in Caibarien, circuit two Camajuani, circuit two in Remedios, circuit one in Santo Domingo, and circuits one and two in Sagua la Grande. (Santa Clara Radio Dobleve Cadena Provincial in Spanish 2220 GMT 19 Apr 95)

Transportation workers moved approximately 2.5 million quintals of potatoes during the harvest. Approximately 1.7 million quintals have been stored in cold storage facilities. Truck drivers' union will present awards to outstanding workers. Workers from Havana, Matanzas, Camaguey, and Santiago de Cuba are selected as the best union. (Havana Radio Rebelde Network in Spanish 2300 GMT 20 Apr 95)

Sancti Spiritus Province has harvested over 2.1 million cujes (horizontal bars where tobacco is hung during harvest) of tobacco, exceeding the results of the past campaign. Yet, production is still short of achieving goals due to problems such as drought and fuel shortage. (Havana Cuba Vision Network in Spanish 0000 GMT 21 Apr 95)

The EJT division in El Escambray harvested more than 200,000 tins of coffee in the three central provinces. Yields were much higher than that of the past harvest. The unit's earnings reached 400,000 pesos. Workers prepare soil for the upcoming campaign of planting the grain. (Havana Radio Reloj Network in Spanish 1400 GMT 21 Apr 95)

The University of Havana and the University of Edinburgh from the State of Pennsylvania in the United States, signed an agreement of academic cooperation to

promote understanding between the two states. (Havana Tele Rebelde Network in Spanish 1630 GMT 21 Apr 95)

In Havana City, the Julio Trigo Hospital received a donation of medicine from Huesca, Spain, valued at \$124,000. (Havana Tele Rebelde Network in Spanish 1630 GMT 21 Apr 95)

A total of 4,700 houses were built in Camaguey during 1994. Camaguey completed the first quarter of the year with 909 completed, half of which are in rural areas. The Ministry of Agriculture built 192 of those 909 and 442 were constructed by the people in the areas in spite of lack of materials. (Havana Radio Rebelde Network in Spanish 1700 GMT 21 Apr 95)

In Ciego de Avila, Jaime Crombet, vice president of the National Assembly of the People's Government called for greater efficiency in the use of energy resources. Crombet praised oil workers of the Majagua installation for having exceeded their goal by 6,000 tonnes and for having produced 500,000 cubic meters of gas, which was twice as much as they had hoped for. (Havana Radio Rebelde Network in Spanish 1700 GMT 21 Apr 95)

An urban renovation and beach restoration program financed by the Ministry of Tourism and hotel chains is under way in Varadero. Urban restoration has a budget of 450,000 pesos; 2.2 million pesos are designated for beach restoration; 2 million of which is in hard currency. (Havana Radio Progreso Network in Spanish 1000 GMT 22 Apr 95)

Cayman Islands

Government To Rid Islands of Cuban Refugees

FL2104202295 Bridgetown CANA in English 1954 GMT 21 Apr 95

[FBIS Transcribed Text] George Town, Cayman Islands, April 21, CANA—The government of this western Caribbean British territory has repeated its position to rid the Cayman Islands of all Cuban refugees now in government's refugee camp in the "very near future," but once again stopped short of issuing a specific date for their departure. Approximately 225 Cubans remain in the Cayman refugee camp, down from a high of 1,184 in September.

The government's decision follows a near-riot last weekend at the government-run Tent City refugee camp. About 100 Cubans, mostly single male adults, staged a rock-throwing and vandalising incident that forced security officers from the compound. The rampaging Cubans tore down fences, ransacked offices, destroyed equipment and threatened security and immigration officers. No one was seriously hurt in the incident, which according to government officials began when a Cuban who had been given a day-release pass attempted to bring a bottle of rum back into the camp, a violation of Tent City rules.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Following that incident, immigration officers went into the camp and discussed the future of the Cubans in the Cayman Islands with the refugees, some of whom have been in the Cayman Islands for almost nine months waiting for a U.S. visa or repatriation to a third country. "The Cubans were again told their options," said Government spokesperson Pat Ebanks. "They know there is no chance of a U.S. visa from Cayman and they will not be allowed to stay here." The options are to take up the U.S. offer of safehaven at Guantanamo, return to Cuba, or find a third country to accept. One option not available is to remain in the Caymans, Ebanks stressed. "But no definite date for their (forced) departure has been set," she emphasized.

Royal Cayman Islands Police Chief Anthony Grey denied reports he would bring in additional security forces to supplement his 250 police officers prior to removing the Cubans. "At this point, I have not ordered any additional security forces," he said, but declined to rule out future requests.

In early December 1994, 55 London police officers trained in riot and crowd control came to the Caymans on temporary assignment when the government feared the Cubans would riot. The officers left after 30 days duty that saw no unusual incidents at the refugee camp. At that time, there were nearly 1,200 Cuban refugees at the government camp. Since then, 650, primarily families with small children, have voluntarily transferred to the U.S.-run refugee camps at Guantanamo Bay, Cuba in hopes of obtaining a "parole" visa into the U.S. Of the 650, the U.S. has confirmed that 103, all families with children, have been "paroled" into the U.S. A further 150 have left for third countries such as Costa Rica, Mexico or Honduras, 40 were given political asylum in the Cayman Islands and about 120 have voluntarily returned to Cuba. Some 70 Cubans, mostly the few remaining families in the camp, have signed up for a transfer flight to Guantanamo Friday, April 21. That would leave about 150 Cubans, mostly single men and women, at the Cayman camp.

Haiti

Election Registration Process Continues Slowly

PA2104165895 Port-au-Prince Radio Metropole in French 1600 GMT 20 Apr 95

[From "The Midday Newscast"]

[FBIS Translated Excerpt] The news in Haiti is dominated by the elections. The registration of candidates and voters is continuing slowly throughout the country and is peppered with charges by some political parties of minor incidents and irregularities. If no change is made in the election timetable, however, the deadline for the registration of candidates in the upcoming elections will expire in a little more than 48 hours—that is, Saturday, 22 April.

Up until now, a considerable number of parties have registered candidates at the registration stations. Nevertheless, the process scheduled to take place within three weeks unfolded within a context of opposition to the composition of the Communal Electoral Offices [BEC's] and administrative problems faced by officials in those offices. Here is a report from Rodrigue Sejour on the registration process for voters and candidates:

[Begin Sejour recording] Although in several regions of the country the registration process is inhibited, in other regions the process is moving along rather well. The information collected so far from Grand'Anse shows that 50,739 voters have registered in this department. As of 18 April, 129,289 voters picked up electoral cards from the various BIV's [registration and polling stations] in Plateau Central. In the southeast, 61.1 percent of the voting age population—that is, 147,143 people—already have their electoral cards. In Petit-Goave, however, activities are at a standstill. The Provisional Electoral Council [CEP] just nominated the BEC leaders who will start to form BIV's. Meanwhile, regrettable incidents have marred the registration process in Artibonite.

Also, various political parties are claiming that the failings of some offices are to blame for the unsatisfactory and partial results reported in the registration process. While admitting that duties have not been properly doled out, Southeastern Department Electoral Office [BED] President (Fleuranvil Saint-Gladix) thinks the system established by the CEP is misunderstood. [passage omitted]

Meanwhile, the registration of candidates continues. The political personalities who have registered documents at the BED in the west include: for the posts of senator, Mrs. Myrland Manigat of the Assembly of Progressive National Democrats, Turneb Delpé of the National Front for Change and Democracy, and Wesner Emmanuel of the Lavalas Political Platform; and for the post of deputy, Mrs. Carmen Christophe for the district of Arcahaie, and Gabriel Sanon.

Again we should note that the registration process will end on Saturday, 22 April, for candidates and on 30 April for voters.

Attack Reported on La Chapelle Electoral Office

PA2104162195 Port-au-Prince Radio Metropole in Creole 1600 GMT 19 Apr 95

[Report by correspondent Pierre Gabriel from Gonaives]

[FBIS Translated Text] Three acts of violence have now been followed by a fourth in Artibonite Department, following a clash that occurred in front of the Communal Electoral Office [BEC] in La Chapelle. On Tuesday, 18 April, at 1000, individuals armed with machetes and sticks attacked the BEC premises in La Chapelle.

This attack took place precisely as Mr. Simon Guignard, candidate for deputy for the Lavalas Platform, went to

register his candidacy with three organizations, including two Communal Council Administrative Council (CASEC) organizations and a city hall one. We should note that the CASEC organizations are related to the first communal district of Martineau and the second district of Bossou under the banner of the Lavalas Platform within the BEC. The attackers managed to disarm a member of the interim police who was guarding the La Chapelle BEC. After entering the BEC premises, they struck people with machetes and sticks, and many others were hurling stones at the BEC premises. The attack left 12 people seriously injured, including Daniel Saint-Louis who is now hospitalized in La Chapelle;

Ozeide Jeudy; Vesta Jeudy; Jaures Guignard, who is the brother of the candidate; and others, not to mention the people who were slightly injured.

On the same afternoon of Tuesday, 18 April, several UN Mission in Haiti soldiers accompanying Justice of the Peace Louis Jerome Clairjeune arrived in La Chapelle. They did not arrest anybody because the criminals had already fled. We should recall that the La Chapelle incident is the fourth attack against the electoral process in Artibonite Department following those in Saint-Michel de l'Attalaye on 29 March, Petite Riviere de l'Artibonite, and Grande Saline on 3 April.

Zedillo Cited on Stabilization of Financial Markets

PA2104230195 Mexico City NOTIMEX in Spanish
2052 GMT 21 Apr 95

[FBIS Translated Text] Boca de Rio, 21 Apr (NOTIMEX)—President Ernesto Zedillo said today the first results of the economic emergency adjustment program will soon permit a reduction in interest rates and the overcoming of Mexico's crisis.

"The financial markets have gradually begun to stabilize, as indicated by the revaluation of the peso against the dollar," the president said during a working tour of this town in eastern Veracruz State.

President Zedillo said public finances are also being strengthened, adding a strict monetary policy is being maintained so the increase in inflation will be transitory.

He said the economy will be able to recover more rapidly as it rapidly adjusts to the new stabilization conditions.

The Mexican president said the lower interest rates expected for the next few months will strengthen the financial situation of businesses.

"The current times present great difficulties but also bring enormous opportunities; therefore, the export sector will indicate high growth rates with a more competitive exchange rate," he added.

He said Veracruz State, which has important export and foreign currency earning sectors, will be one of the states that can best take advantage of the opportunities the new circumstances present.

Zedillo said a clear and comprehensive economic program is being implemented to overcome the economic emergency in order to deal with the difficult situation being experienced during the past few months.

"We are also clearly on the road to overcoming the external imbalance, which is at the root of this economic crisis," he said, adding that domestic savings must increase to achieve sustainable growth bases and that the government is promoting an economic policy that fosters both public and private savings because of this point.

The economic emergency program has produced its first results, but there is a clear vision for the medium and long term beyond the solution of the emergency, President Zedillo said.

He said Mexico is undergoing a process of deep changes that cannot exclude anyone. "We are seeking the country's consensus for each of these changes, because we know that is the best way to make them strong and lasting," he added.

Banxico Reports \$178 Million Drop in International Reserves

PA2104150295 Mexico City LA JORNADA in Spanish
20 Apr 95 p 45

[Report by Roberto Gonzalez Amador]

[FBIS Translated Text] The Bank of Mexico [Banxico] reported yesterday that, because of the amortization of \$320 million worth of treasury bonds (tesobonos) between 7 and 12 April, the country's international reserves dropped by \$178 million to \$6.728 billion.

International assets held by the central bank increased \$580 million as of 12 April compared to the balance registered on the last day of 1994 when they totaled \$6.148 billion.

Current foreign currency assets include financing granted to the central bank worth approximately \$9.9 billion to stabilize the exchange rate. These funds have been partially used to cover commercial banks' special amortization of tesobonos and liabilities.

Banxico reported an increase of 968 million new pesos in the monetary base balance 7-12 April. The monetary base refers to the amount of bills and coins in circulation. The report stated that this increase was prompted by the seasonal increase in payment demands, which is a characteristic during Holy Week.

It explained that the approximate 5 percent increase is substantially less than those observed during the Holy Weeks of previous years (8 percent in 1994 and 7.5 percent in 1993). The report added that this increase is expected to reverse during the current week.

Meanwhile, the central bank's internal credit amounted to 7.943 billion new pesos on 12 April compared to 3.523 billion new pesos on 7 April. The last reported balance translates to a 16.254 billion new pesos reduction in the central bank's internal credit compared to the level in December 1994.

Stable Financial Market

The Price and Quotation Index, the primary market indicator, yesterday settled at 792.75 points, a marginal increase of 0.83 points, equivalent to a 0.05 percent increase compared to the previous day.

During the stock exchange session, 54.84 million shares worth 405.77 million new pesos were traded. Of the 72 stock issuers whose shares were negotiated on the Mexican Stock Exchange auction floor, 26 increased in their price, 37 dropped in price, and nine remained unchanged.

Meanwhile, Treasury Certificate (Cetes) interest rates remained practically unchanged compared to the previous week.

Cetes with a 14-day term showed a 0.9 points reduction to reach 78.4 percent. In the case of 28-day and 91-day Cetes, there was no variation in the interest rate and remained at 76.5 percent and 73 percent respectively.

At the weekly Cetes auction, Banxico issued N\$1 billion worth of 14-day Cetes, an additional N\$1 billion worth of 28-day Cetes, and N\$700 million worth of 91-day Cetes.

The Average Inter-Bank Interest Rate settled at 88.8157 percent, which is 0.0165 points less than the previous week, while the Inter-Bank Equilibrium Interest Rate suffered a 0.0127 reduction to settle at 88.7071 percent.

In the money market, exchange rates for wholesale operations (which are contracted for 48 hours), registered, according to Banxico, a seven cent reduction in terms of the dollar, which sold at 6.10 new pesos.

No Talks Held Between Government, EZLN

PA2204063795 Mexico City Radio ACIR Network in Spanish 0000 GMT 22 Apr 95

[Report by Juan Carlos Santoyo from San Andres Larrainzar; from the "Evening News Panorama" news-cast—live relay]

[FBIS Translated Text] The latest news from Chiapas is that no talks were held today between the EZLN [Zapatist National Liberation Army] and the federal government. The Government Secretariat has warned that as long as the San Miguel Agreement is not honored, no negotiations will be possible. Here is Juan Carlos Santoyo with a report from San Andres de Larrainzar:

[Santoyo] Good afternoon. The dialogue has been delayed again. The dialogue between the EZLN and the federal government did not take place. Why? The answer is quite simple. There are no conditions as of yet for this dialogue to take place. This point is what the Government Secretariat has stated, particularly because and irrespective of the agreements reached in San Miguel the presence of more than 6,000 peasants and Indians who have come from several communities of Chiapas State merely to state their support for the EZLN has not been averted. The agreement reached during the meeting held in San Miguel on 9 February was based on one major point: that these types of talks should not turn into a political event or an activity to express support for one of the parts.

This morning, when we arrived in San Andres Larrainzar, we were able to see that the main square was filled with thousands of peasants who arrived several days ago to occupy a place and, thus, exert pressure on the representatives of the federal government; this is not permissible, because the San Miguel Agreement was reached by the two parts during their first meeting.

It is also worth mentioning that all these people have been herded by people who no one knows how they are financing this activity. This point is significant, considering that we have learned, for instance, that the total cost of maintaining these peasants and Indians in this place amounts to more than 30,000 new pesos per day. No one can explain the source of the money to pay for this gathering, because those people have to eat, sleep, and, especially, have to be on the alert and maintain an attitude of support toward the EZLN, which was prohibited.

When we arrived in San Andres Larrainzar this morning, the top commanders of the EZLN who were there said the following:

[Begin unidentified speaker recording] We will continue [words indistinct] seeking a political solution. Once again, we want to show you that we will continue demonstrating this determination, decision, and aspiration to live in a more just society and to live a more decent life. [end recording]

[Santoyo] I can also attest that groups of EZLN supporters continued arriving throughout the day. We were able to see that many of these people bear many of the emblems or the uniforms worn by EZLN members. The boots, pants, and shirts were obviously brought by EZLN members. Furthermore, some of them are wearing a red handkerchief around the neck as their badge, which implies these people have a certain rank within the EZLN. In light of this situation and after the representatives of the federal government came here as stipulated, it was verified first thing in the morning, in order to confirm that the security cordons were in place, that there were no conditions to begin a dialogue.

A proposal by the National Mediation Commission [Conai], whereby five cordons were going to be set up as opposed to the four cordons that had been originally agreed on, had been approved. The five cordons would be set up as follows: Members of the Mexican Red Cross would constitute the first cordon; members of the Military Police would constitute the second, and we want to stress here that unarmed members and members of the Mexican Red Cross would constitute the third one, 800 residents of the municipality of San Andres Larrainzar would make up the fourth one, and members of the civilian society or nongovernmental organizations would make up the fifth.

Until this afternoon, this strategy had not been followed, mainly because the Indians and peasants continued occupying the main square of San Andres Larrainzar. When one attempts to speak to them, these peasants and Indians cannot speak Spanish, but they do carry very well written signs, which are not only in Spanish but also boast perfect spelling. On these signs, they state their full support for the EZLN.

In view of this, Marco Antonio Bernal, coordinator of the Government Secretariat's negotiation delegation, read a press communique this afternoon. This is what he said:

[Begin Bernal recording] The federal government has been undertaking firm efforts to begin a serious and respectful dialogue to find a solution to the Chiapas conflict. On 15 April, we reported the mobilization and transporting of groups and acts of propaganda in favor of the EZLN, which violated the principles of good faith and mutual respect agreed upon in the joint declaration of San Miguel, which in turn was based on the Law for Dialogue, Conciliation, and Dignified Peace in Chiapas.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

For the federal government, it is a matter of principle that the negotiations cannot be held if a previous agreement has not been fulfilled. A good climate for negotiations is created by the certainty that commitments will be kept. The federal government's delegation has stayed in San Cristobal, making efforts so favorable conditions for the beginning of the dialogue will be established.

In order to evaluate a new proposal for a security plan presented by the EZLN, Ambassador Gustavo Iruegas and General Tomas Angel [word indistinct] traveled to San Andres Larrainza today with members of Cocopa [Harmony and Peace Commission]. Ambassador Iruegas, through Bishop Samuel Ruiz, requested a direct dialogue with members of the EZLN leadership, who refused to meet with him. The federal government delegation believes it is essential to state to the public opinion that dialogue is possible under the following guarantees: 1. that the commitments established in the San Miguel joint declaration be fully complied with; 2. that the groups brought from communities other than the municipal capital of San Andres with the planning and logistical support of the EZLN and the support of the Conai be withdrawn. The active participation of Conai members Raymundo Sanchez Barraza, Gonzalo Ituarte, and Miguel Alvarez Gangara has been obvious; 3. that the agreed upon security plan be implemented.

The federal government delegation has decided to remain in San Cristobal for a prudent period of time in order to wait for the reply from the EZLN to make the dialogue and negotiation possible. This delegation reiterates its willingness and confidence that once the conditions for a serious dialogue and negotiations are fulfilled, these can be held in the next few hours. Thank you very much. [end recording]

I can report that at this time, the members of the Cocopa formed by legislators and Conai, including its chairman, Samuel Ruiz, are holding an emergency meeting to present to the federal government representatives a new security proposal establishing security cordons. It is to be hoped that sometime this evening, perhaps at approximately 2000, Cocopa might have a reply on whether the dialogue will be held in San Andres Larrainzar; otherwise, it is possible a new date might be established. Nevertheless, what is known right now is that efforts are being made to hold this dialogue as soon as possible.

Government, EZLN Open Talks Following 48-Hour Delay

PA2204195695 Mexico City NOTIMEX in Spanish
1733 GMT 22 Apr 95

[FBIS Translated Text] San Andres Larrainzar, 22 Apr (NOTIMEX)—Representatives of the Mexican Government and the Zapatist National Liberation Army (EZLN) began talks here today following a 48-hour delay caused by logistical problems.

The negotiations, which seek a political solution to the conflict that exists in Chiapas, began at 1120 (1720

GMT) with the participation of eight delegates of the armed group and four of the government.

At the meeting, the parties are discussing "reciprocal detente measures" and "rules of protocol for proceeding with a dialogue and the negotiation of a harmony and peace agreement with justice and dignity."

The talks are being attended by Marco Antonio Bernal, Gustavo Iruegas, Javier Zenteno, and Jorge del Valle, who represent the government, while Commanders Tacho, David, Javier, Domingo, and four other members of the rebel group represent the EZLN.

Spokesman Reports Agenda for Government, EZLN Peace Talks

PA2204231195 Mexico City NOTIMEX in Spanish
2045 GMT 22 Apr 95

[FBIS Translated Text] San Andres Larrainzar, 22 Apr (NOTIMEX)—Oscar Lopez Velarde, official spokesman for the Harmony and Peace Commission (Cocopa), reported this afternoon the points of the agenda to be covered by the government and the Zapatist National Liberation Army (EZLN) at the meeting which began today.

In a communique read to media representatives accredited to this meeting between the government and the armed group, Lopez Velarde, who is also a senator of the republic, indicated that the agenda will have seven points.

The first refers to the initiation of peace talks; the second will be approval of the agenda for the talks; and the third will be the presentation of the minutes and memorandum of the first meeting to further the talks, which was held in San Miguel Ocosingo on 9 April.

The fourth point will be presentation of general proposals by the parties; the fifth will be the study of detente measures; the sixth refers to regulations for procedures; and the last will determine the dates and measures for the next meeting and approval of the document.

The first report on progress in the talks being held at this Chiapas locality is expected at 1600 (2200 GMT).

Town President Diego Perez Hernandez assured NOTIMEX today that there has been absolute tranquility in the municipality's 46 regions since the peace talks between government and EZLN representatives began this morning.

The municipal official stated that "there has been no break in public order, because the residents of the Larrainzar communities have been advised that the presence of the Mexican Army is intended to provide security."

He noted that there has been no complaint about the presence of unarmed military policemen in the fourth

and last "security belt" established around the negotiation table, which is located on a basketball court.

"The soldiers' presence has not altered the daily activities of San Andres Larrainzar inhabitants. There are always things that we do not completely like, but this is normal. I am sure that nothing will jeopardize the talks," he added.

Government, EZLN To Resume Talks 12 May

PA2404021295 Mexico City NOTIMEX in Spanish
0050 GMT 24 Apr 95

[FBIS Translated Text] San Andres Larrainzar, 23 Apr (NOTIMEX)—Bishop Samuel Ruiz Garcia, chairman of the National Mediation Commission, announced this afternoon that the peace dialogue between the Mexican Government and the armed group operating in Chiapas State will resume on 12 May.

In a communique read at the conclusion of the second day of talks, the bishop said the request was submitted by the eight Zapatist National Liberation Army (EZLN) delegates, who will present to the rank and file the proposals made to the government.

Ruiz Garcia said the EZLN also announced it would reduce its presence in Los Altos and in the Chiapas plateau located in southeastern Mexico.

EZLN Attending Talks To Discuss Peace, Not Surrender

PA2404044595 Paris AFP in Spanish 0252 GMT 24 Apr 95

[FBIS Translated Text] San Andres Larrainzar, Mexico, 23 Apr (AFP)—The Zapatist guerrillas did not show up at the San Andres de Larrainzar talks to "surrender," and their delegates feel the government "does not want to talk about peace but of surrender," rebel commander Tacho has said.

Reading a communique following two days of meetings, Tacho said "the government is talking to us about something different. It is talking to us as if we had already signed a peace agreement, as if all our demands have been met."

"In a document presented at the negotiating table, they asked for the surrender of the Zapatist National Liberation Army (EZLN), tying us up before proceeding with the dialogue process and asking that we assemble in three places," he said.

The guerrilla commander said that "the EZLN did not come here to surrender but to seek a dialogue and negotiations to attain peace with justice and dignity."

The rebels, who left San Andres Larrainzar tonight, said they maintain "their commitment to find a political solution to the conflict, which is why we are going to hold consultations, to continue on this path of dialogue."

The guerrillas and government ended the first stage of the San Andres Larrainzar talks this Sunday after reviewing their respective detente proposals.

The authorities are asking the EZLN to assemble in three points in exchange for the Army's withdrawal to a position outside the area of conflict in the southern state of Chiapas.

The guerrillas said they would remain in the mountains without carrying out any armed action if the soldiers leave the area that was under EZLN control until February of this year, when the Armed Forces launched an offensive against them.

'National Development' Process Faulted

95CA0193A Mexico City REFORMA in Spanish 5 Apr 95 p 9A

[Commentary by Julio Faesler, director of the Council for Democracy: "The National Development Plan, A Soliloquy"]

[FBIS Translated Text] Since the start of his administration, Dr. Zedillo has been blamed for not presenting a clear vision of his plans for his six-year term. It is understandable, though, that, trapped in the midst of a monstrous crisis which he inherited from the two preceding administrations, the president has devoted more attention to the desperate tasks of salvage than to proposing plans for the future.

It would appear that Article 26 of the Constitution might come to his rescue. By 31 May of this year, he must have drafted, revised, corrected, published, and presented the National Development Plan to Congress.

The popular meetings that have already started to put the plan together are part of what the Constitution calls the National Democratic Planning System for National Development. Its purpose is to imprint "solidity, dynamism, permanence, and equity to the growth of the economy for independence and for the political, social, and cultural democratization of the nation."

Planning, as this article continues, will gather together the aspirations and demands of society to incorporate them in the plan and Development Programs. The executive will organize popular participation and discussions and also be responsible for the formulation, instrumentation, control, and evaluation of the plan. The plan will be the subject matter for agreements with the governments of federative entities, and it will promote and arrange with citizens the actions to be taken for its preparation and execution.

Who Approves the Plan?

It is absolutely true that we the Mexican people must know not only the "national objectives, strategy, and priorities for the integral development of the nation and the resources that will be allocated for these purposes"

and the agricultural, industrial, agroindustrial, and service programs that will make it possible to achieve levels of material, social, and cultural wellbeing. It is no less true, though, that this group of action proposals should be expressly approved by us, the citizens. They should require approval by Congress.

Unfortunately, that is not how it will work. Article 26 of the Constitution concludes by saying: "in the Democratic Planning system the Congress of the Union will have the participation which the law stipulates." The planning law promulgated in December 1982 by Miguel de la Madrid states that the president must submit the plan to the Congress of the Union "for its examination and opinion" within six months from the date he takes office. After the plan has been presented, the legislative branch may express observations it deems pertinent but—pay close attention to this—only during the execution, revision, and adaptations of the plan. The involvement of the legislative branch in something as vital as the course the country is going to pursue in the next six years is marginal and incidental. It does not go to the heart of the matter. Preparation, approval, presentation, and publication of the plan are the responsibility solely of the executive, which thus exercises what in other times used to be called "stewardship of the State." Proof of this is the fact that senators and deputies are treated just like ordinary citizens among the many called upon to take part in the thousands of discussions all over the country to provide their reports and points of view.

The Congress of the Union has no option other than "examination and opinion." The senators and deputies can not retrieve the inalienable duty their sovereignty requires of them: approving or rejecting the plan presented by Dr. Zedillo.

Making Democratic Planning a Reality

After the failures that have beset the successive development programs that have been imposed unilaterally by the executive, the time has come to make Democratic Planning truly what the Constitution speaks of, but does not create. We shall have to see if the productive sectors are still ready to be "promoted and arranged" as the Constitution assumes, and to respect programs which they have not approved. The recent announcement, without business or labor support, of the fiscal shock plan provides ample room for thought.

An Economic Plan is Needed

This entire question is important at a time when the government is emphasizing and reemphasizing that citizens' participation is essential in public decisions. Popular discussions on the National Development Plan will be inadequate if they are given no importance in a preparation process which is really very hasty.

We have experience with discussions arranged in advance like the ones that backed Mexico's entry into GATT [General Agreement on Tariffs and Trade] or the

TLC [NAFTA] negotiations. What we want now is to replace the macroeconomic model that has reduced the promotion of national development to monetary and financial instruments.

So it is essential that all sectors make sure that such a change is actually made in the National Development Plan for a period as extremely crucial as the six years from 1995-2000. This is a widespread concern, for despite the profound injustices and social tensions which the financial experts' strategy has engendered, all official statements indicate that they intend to continue the neoliberal economic model.

Summary

The fact that the president is fulfilling his constitutional obligation to inform the nation of the Development Plan which his administration intends to carry out during his term in office is an autonomous act that should be understood solely as a proposal subject to extensive discussion and eventual approval by Congress.

President Zedillo could indeed take a vital step toward real participatory democracy by inviting Congress to form a pluralistic commission to express its views on the National Development Plan and to formulate, if necessary, the recommendations it believes appropriate for its modification.

If the National Development Plan does not in some way receive the support of the Legislative Branch, it will be of no more value than a soliloquy by the executive.

Action on Felix Miranda Case Cited

95CA0186A Tijuana ZETA in Spanish 31 Mar 95-6 Apr 95 pp 28A-29A

["Double Truck" column by ZETA co-editor J. Jesus Blancornelas: "The Impunity of Jorge Hank Rhon on Trial"]

[FBIS Translated Text] For at least three weeks now the Office of the Attorney General of the Republic (PGR) has been asking the state government for the case file on the murder of ZETA's co-editor, Hector Felix Miranda.

The newsman was killed in April 1988 by Antonio Vera Palestina and Victoriano Medina, bodyguards of Jorge Hank Rhon, the manager of the Agua Caliente Racetrack and son of the former secretary of agriculture and livestock in Carlos Salinas de Gortari's administration.

Victoriano was apprehended first in Baja, California, and Vera Palestina later in the United States. Tried, convicted, and sentenced, they are serving 27-year terms in La Mesa Penitentiary.

According to ZETA's investigations, another of Hank Rhon's bodyguards, Emigdio Nevarez, was also involved in the fatal ambush of the newsman.

He fled to the United States after the murder. He returned to Tijuana when Vera Palestina was captured and jailed. On orders from Juan Francisco Franco, the State Attorney General's Office detained and questioned him, but he was inexplicably set free.

Nevarez was found dead on 24 July 1992 on an abandoned road in Colonia Alamos de Tijuana. He had even been dealt a death blow. It was never learned who had shot him or who had ordered him killed. The police conducted no investigations, in spite of his virtually undeniable links to Hank Rhon, Vera Palestina, and Victoriano Medina.

In the wake of this murder, the then state attorney general, Juan Francisco Franco, received information as to the possible killer.

This information pointed out the coincidence that immediately after the murder of Emigdio Nevarez, an employee of the Agua Caliente Racetrack apparently received a sizable sum of money and was sent off on another job by his bosses or left Tijuana on his own.

The state attorney general, Juan Francisco Franco, then made two decisions that even today are inexplicable:

1. He did not follow the trail of Nevarez' murder.
2. He did not accommodate the request of Dr. Jorge Carpizo McGregor, the then chairman of the National Commission for Human Rights, to reopen the investigation into the people who ordered newsman Hector Felix Miranda killed.

When Carpizo's request became public, Professor Carlos Hank Gonzalez gave instructions to his attorneys to file for a federal amparo protecting Jorge Hank Rhon and his friend Jorge Alberto Murguia against possible arrest.

This, in legal language, is known as "a confession takes the place of evidence," since in any event reopening the investigation into the masterminds would not mean officially fingering either Hank Rhon or Murguia...but they applied for an amparo.

When this happened, the then secretary of tourism in the Salinas cabinet, Professor Carlos Hank Gonzalez, made a phone call to the state governor, Ernesto Ruffo Appel. Angered, he sarcastically thanked him for taking an action that put his son in jeopardy.

Actually, Ruffo had nothing to do with it. It was entirely an effort sponsored by several journalists, prominent among them Eduardo Valle. International news and human rights organizations simultaneously sent letters to the president of the republic demanding justice in the Felix affair.

But when the judge from whom the amparo was requested wrote to State Attorney General Juan Francisco Franco seeking information, Franco simply replied to him that he was not taking any action against Hank Rhon.

The threat to Jorge Hank Rhon and Jorge Alberto Murguia thus vanished. The state attorney general could not, after such a response, go after the manager of the racetrack because it would have been regarded as crossing the judge.

Juan Francisco Franco was not the only state attorney general who washed his hands of the Hector Felix Miranda case.

Roberto Morales Grajales (1988-89) managed to arrest Victoriano Medina but did not investigate thoroughly.

Angel Saad (1989) did not do anything, even by accident. On the contrary, he tried to divert ZETA's attention.

And Pedro Raul Vidal Rosas is the current attorney general.

None of them obviously wears the label of an incompetent. But if, as in the Colosio case, there is a desire to investigate the prosecutors for allegedly creating diversions or erecting obstacles to solving the murder, then in the case of Hector Felix there are sufficient grounds for summoning them to testify formally and explain why they have washed their hands of the matter.

The honorable exception was Eduardo Krauss Coronel (1989-92), who only needed a little more time to totally resolve the matter.

An aside:

Governors Xicotencatal Leyva Mortera (1983-88), Oscar Balon Chacon (1989), and Ernesto Ruffo Appel (1989-95) are also to blame.

The first two are from PRI [Institutional Revolutionary Party], and the third is from PAN [National Action Party]. Each one of them, when in office, promised to but did not clear up the case. Almost six years ago, when Ruffo asked the people of Baja California to vote for him, he said that he would "pursue it to the bitter end." So far, however, these have been only words.

All of them obviously bear some responsibility. They should be called to account.

Thus, the Felix Miranda case is entering previously unsuspected territory:

1. One key element will be on what federal grounds the Office of the Attorney General of the Republic takes up the case.
2. If it does so, it will be obliged to get to the bottom of the matter, representing a commitment on the part of President Ernesto Zedillo Ponce de Leon. Another opportunity for him to show us that there is no impunity in this country.
3. Ernesto Ruffo Appel's government will be in jeopardy because the PRI federal administration is taking action and the PAN state government is not.

4. In the face of this entire panorama, and on the assumption that the murder is investigated thoroughly, it will be important to see whether Professor Carlos Hank Gonzalez and his son Jorge Hank Rhon maintain their influence and power in the Zedillo administration and what remains of the Ruffo administration.

It will not take too long, if we recall that the PGR requested the famous Felix Miranda case file at least three weeks ago.

The unique part of this case will be to see how a case of the common jurisdiction becomes a federal one.

El Salvador

Finance Minister Comments on Tariff Reduction Plan

PA2104034995 San Salvador Canal Doce Television in Spanish 1830 GMT 20 Apr 95

[Report by William Melendez from the "Up-to-Date Newscast"—passages within quotation marks recorded]

[FBIS Translated Text] Finance Minister Manuel Enrique Hinds said today the tariff reduction plan became effective this month. This measure is one included in the economic plan. He said, however, the dollarization of the economy is still under study.

[Melendez] The government is planning to reduce the tariffs of certain products that have a base of 1 percent and a ceiling of 6 percent in order to make the currency freely convertible and to establish a fixed exchange rate. Finance Minister Hinds said that of these three measures, the tariff reductions are already being implemented:

[Hinds] "We have announced—this has been announced in all the newspapers—that the import tariffs on capital goods has been 1 percent since 1 April. I am surprised every time I am asked what happened with the tariff reductions. We are completely within the gradual plan established when the president announced it."

[Melendez] The official said that making the currency freely convertible is the only aspect still under study. This initiative requires the approval of the Legislative Assembly. According to Hinds, this latest measure can be implemented regardless of the monetary problems in Mexico and Argentina:

[Hinds] "As the president has announced, these past weeks we have been analyzing certain changes to the plan initially introduced on the free convertibility, based on the experience in Mexico, Argentina, and so on. This situation in no way changes the final objective of reforms in that aspect."

[Melendez] On Thursday, the chief promoter of the official economic plan attended the signing of a grant agreement for more than 18 million colones with the Agency for International Development. The purpose of this grant is to support the state modernization program.

Central Reserve Bank Vice President on Monetary Policy

PA2104211995 San Salvador LA PRENSA GRAFICA in Spanish 17 Apr 95 p 15A

[FBIS Translated Text] Gino Rolando Bettaglio, vice president of the Central Reserve Bank of El Salvador [BCR], has stated that the exchange policy to be implemented in the country is being studied in the BCR and that they are currently studying the options for a convertibility law or a direct step toward dollarization.

The BCR announced last month, that the bill for a convertibility law, which would establish a set exchange rate of 8.75 colones per dollar, would be presented to the Legislative Assembly in April. It was said that the system could start to operate in the second semester of this year.

However, the decision on the exchange policy could be delayed because they are still studying both options.

LA PRENSA GRAFICA talked to the BCR vice president. Gino Bettaglio's answers on the current situation of the exchange policy were:

[LA PRENSA GRAFICA] The BCR president announced at the beginning of March that a bill on the convertibility law would be presented to the Legislative Assembly in April. Why has it not been presented yet?

[Bettaglio] The delay is because are currently studying the fundamental concept of dollarization—whether it should be done through a convertibility law or with a direct step toward dollarization. We need to know for sure what is more convenient for the country in order to prepare this law.

[LA PRENSA GRAFICA] What are the implications of dollarization by previously establishing the convertibility law?

[Bettaglio] Well, trying to dollarize through a type of set exchange with a convertibility law would force the BCR to set the purchase and sale of dollars at a predetermined rate, which has been set at 8.75 colones. Also, the bank would not be able to issue currency without the proper backing and would only deliver colones to the economy by receiving dollars in exchange.

[LA PRENSA GRAFICA] If the possibility of not using the convertibility plan is being studied, what will happen to direct dollarization?

[Bettaglio] A direct step toward dollarization is very complicated, specifically in terms of legal feasibility. If approved, El Salvador receives \$40 million a month. The Legislative Assembly would first have to authorize the dollar to circulate locally.

[LA PRENSA GRAFICA] What is your opinion on going directly to dollarization?

[Bettaglio] A direct step to dollarization is more transparent and quicker, and helps avoid having to pick up old bills, then the rest of the bills, to get to dollarization. That is why the legal aspects of the matter are being studied to see how they can be applied.

[LA PRENSA GRAFICA] What are the implications of implementing a convertibility law or direct dollarization?

[Bettaglio] We have to understand that in the exchange program, the type of exchange component is a necessary

element in expediting foreign trade as well as in making it feasible for the financial system to reduce interest rates.

At the same time, there would be more competition because the firms could get loans directly as the exchange risk would be eliminated and it would allow firms to obtain loans for longer terms. That would create a surplus in the economy making interest rates decrease.

We must recall that the objective of the type of exchange is to expedite the commercial opening process. We would not have to change currencies to pay for imports and exports to the United States—our main commercial partner—because it would be done directly.

[LA PRENSA GRAFICA] Then will there be short-term implications?

[Bettaglio] We do not want to be overoptimistic, but we do believe that interest rates during the first year could drop three to four points, which is a strong incentive for investment, especially among hardest hit areas, like the agricultural and industrial sectors.

On the other hand, inflation rates tend to taper off in line with the U.S. inflation rate. Import procedures will be less complicated.

[LA PRENSA GRAFICA] When would the new exchange policies be instituted?

[Bettaglio] We had estimated that the proposed convertibility law would be presented to the Legislative Assembly by the end of April and implemented during the second semester, but it could still be delayed a couple of months if the final decision is to dollarize immediately.

Our goal, in the worst-case scenario, is to begin on 1 January 1996 with a different scheme.

[LA PRENSA GRAFICA] Tell us, can our reserves really cover the risk in adopting convertibility or dollarization?

[Bettaglio] The reserves can cover the monetary base that comprises circulating currency, which right now amounts to approximately \$400 million, plus the required legal reserves with the BCR.

We have international reserves of approximately \$800 million. If there was a shortage it would be minimal at most; in fact, measures are already being taken to provide for such event. We want to back the monetary base 100 percent.

Guatemala

Government, URNG Agree To Make Proposals Known

PA2104165295 Guatemala City PRENSA LIBRE in Spanish 20 Apr 95 p 4

[FBIS Translated Text] By agreement of both sides, the secrecy maintained in the peace negotiations between

the Guatemalan National Revolutionary Unity, URNG, and the government, represented by the Peace Commission, Copaz, will be broken.

We agreed that both sides can publicly debate and discuss the content of their proposals, but not what is being negotiated. From now on we can speak extensively, with the understanding that it is either the government's opinion or that of the URNG, Copaz Chairman Hector Rosada said.

He added that there are a lot of points of convergence in the proposals presented on the issue of the socioeconomic and agrarian situation, in view of the fact that when the general outline was presented, the government found concurrences and saw that the guerrilla proposal falls within the framework of the Constitution and the country's legal system.

According to Rosada, the URNG is working on four fundamental topics: the role of the state in the economy; the strengthening of the state through tax reform; the landownership problem with the modernization of agriculture; and the need to reform education, the health system, and housing, in other words, reforms to basic social services for the population.

The government proposal is a document based on the points of agreement found in the documents presented by the Civilian Society Assembly and the CACIF [Coordinating Committee of Agricultural, Commercial, Industrial, and Financial Associations] to resolve the country's social, political, economic, and agrarian problems, without including a policy of confiscations. It was explained there are points of convergence between the government and URNG proposals.

Bank of Guatemala President Says Quetzal Stable

PA2304044295 Guatemala City Televisiote Television in Spanish 1900 GMT 21 Apr 95

[From the "Channel Seven News"]

[FBIS Translated Text] Bank of Guatemala [Banguat] President Willy Zapata said the quetzal has stabilized at 5.80 quetzales to the U.S. dollar..

[Begin Zapata recording] I just checked the market, and it is at the same level it held throughout Holy Week. Just 15 minutes ago, the average selling price was 5.82 on the banking market.

Banguat is participating in the market today, and we believe that the banking market average will close at approximately 5.80. The weighed average of the exchange rate will continue at approximately the same level registered yesterday. We believe the speculation in recent days was due to news about a possible devaluation. I do not think our current economic base would allow us to foresee any abrupt change in the exchange rate. We said yesterday afternoon that some people have lost money because they bought at 5.90, and today they

cannot find anyone who will buy at that price because the exchange rate has gone down and is now at 5.82. [end recording]

Industries Chamber President on Consolidation of Tariffs

PA2204010895 Guatemala City PRENSA LIBRE in Spanish 20 Apr 95 p 91

[FBIS Translated Text] Juan Gutierrez Mayorga, president of the Guatemalan Chamber of Industries (CIG) Board of Directors, has said that more than 1,200 industrialists who attended a special general assembly session last night agreed to establish a 48-hour deadline for the government to resolve the crisis created by the consolidation of tariffs at a 10 percent rate. If not, they will begin progressive strikes until the local industry is completely paralyzed.

Gutierrez said the general feeling of all industrialist is a total rejection of the measure and total support for the actions taken by the board. There is much uneasiness and concern throughout the entire sector regarding the harmful effects of the measure on the nation's economy and the eminent threat of bankruptcy or a reduction in operations due to the loss in market share.

Gutierrez said it is paradoxical that products that were leading in Central America 15 days ago, with nearly 3 billion quetzales in exports, suddenly have lost that leadership due to the adoption of the single 10 percent tariff.

Because of the crisis that has been created, the survival of many companies and the income source of millions of Guatemalans who depend directly or indirectly on industrial, agricultural, or agroindustrial activities are at stake. Our associates are willing for this reason to take all necessary actions so the administration will reconsider the measure. We will begin a strike in the sector if necessary, Gutierrez said.

In addition, Gutierrez said the measure has made products more expensive as a result of the increase in the price of raw materials and has caused the rise of the dollar vis-a-vis the quetzal. The rise in the dollar will cause our currency to devalue to unsuspected levels, cause the corresponding inflation, which is the most unjust of taxes, and, therefore, will also intensify the poverty of the majority of Guatemalans.

Gutierrez also referred to the prospects for new investments, which, according to him, *will never arrive*, and the existing investments will move to other Central American countries offering more advantages and greater benefits and whose governments have clearer and more consistent policies.

Gutierrez added that *we cannot doubt that the administration will evaluate and weigh the nefarious consequences the single tariff rate will have and that it will make the necessary decisions to reestablish the competitive edge that has been lost.*

We are convinced there are better options for the country's economic and social development to create, above all, new sources of jobs, to guarantee that Guatemalan production maintains the markets in which it already has a significant participation, and to foster access to new markets, Gutierrez said.

Human Rights Commission on Increase in Violations

PA2104035095 Guatemala City Televisiete Television in Spanish 1900 GMT 20 Apr 95

[From the "Channel Seven News" newscast]

[FBIS Translated Text] The OAS Inter-American Human Rights Commission announced today in Costa Rica that there has been a surprising increase in human rights violations in Guatemala.

In a quarterly report on the situation in Central America, the Codehuca [Commission for the Defense of Human Rights in Central America] stated the conduct of the government security forces regarding human rights continued to indicate disrespect, intolerance, and ignorance. The organization did not specify, however, whether the increase in violations was the result of the government's willingness to admit complaints or an increase in the number of violations.

Seminar on Civilian Intelligence Discussed

95CA0197A Guatemala City PRENSA LIBRE in Spanish 3 Apr 95 p 8

[Article by E.S.: "National Security and Intelligence: Signs of Authoritarianism and Impunity"]

[FBIS Translated Text] The Executive Branch recently sent to the Legislative Branch the draft of a proposed bill that is linked directly to the process of democratization and demilitarization of the nation.

The bill in question embodies the proposed "Law To Establish the National Security Council and the Secretariat of State Intelligence" and also relates to the negotiations on proposed peace agreements between the government of the Republic and the Guatemalan National Revolutionary Unity (URNG).

The proposed bill was studied at a seminar organized by the Latin American School of Social Sciences (Flacso) and the Mirna Mack and Friedrich Ebert foundations.

The government's presentations were made by Jorge Humberto Herrera, representing the office of the president of the Republic, and by Baudilio Hichos, chairman of the Legislative Committee on Government Affairs.

Participating on the panel were General Victor Maldonado Michelena of the National Security Council of the Office of the President of the Republic of Venezuela; Eberhard Friedrich, representing the Friedrich Ebert Foundation of Germany in Guatemala; and James

Dempsey of the Center for National Security Studies, a nongovernmental organization in the United States.

Questions That Oriented the Discussion

1. Do you believe that the government-sponsored bill establishing the National Security Council and the Secretariat of State Intelligence are in accordance with the existing constitutional system and with the objective of strengthening civilian authority?
2. Do you agree with the concepts of security and intelligence that are set forth in the government's proposal?
3. What impact do you believe this law would have on the process of peace and democratization?
4. What proposals do you suggest for reforming the existing national security structures and intelligence apparatus?

We herewith present a summary of a report produced by the seminar and provided by Dr. Gabriel Aguilera Peralta, the International Relations Area coordinator of Flasco:

Toward Modern Systems of Information and Intelligence

The report points out that in the present circumstances of globalization, the end of the cold war, and the widespread trends toward democratization, it is deemed useful, proper, and necessary for a modern state to seek to establish adequate information and intelligence services that will make it possible to anticipate, prevent, and resolve dangerous situations that threaten its social, political, and administrative integrity.

These services should reflect a concept of the state and of national security that corresponds to the precepts of democracy and of respect for human rights and a government of laws.

The report states that in the recent past, the intelligence systems have been designed to respond to the requirements of "national security," in the most restrictive interpretation of the term.

This form of national security has been characterized by the creation of structures that are surrounded by secrecy in all matters—whether exercised formally or not—and are empowered to operate as instruments of legal repression and political control.

These structures have responded to the requirements of an authoritarian state, and their principal function has been the control and political repression of the population rather than its protection and defense.

They have also responded to the requirements of whatever president is in power—and to the requirements of

his party—rather than to the needs of the state, in accordance with a concept of military strategy rather than a civilian vision.

The concept of these state security systems has tended to be repressive and conservative instead of the concept that these systems should serve the objectives and needs of the nation—a nation that is coping with the social dynamics.

As a result, the report states, the concept of "intelligence" has been associated directly and exclusively with the military establishment, police-enforced security, and political control and repression.

In Guatemala, to speak of security and intelligence in one and the same text and context requires that concepts be stated precisely and functions be described very explicitly. It would therefore be more appropriate to speak of information rather than intelligence, and neither the spirit nor the basic concept would be altered thereby.

Security

The concept of security should include the complex of objectives and actions that are the responsibility of the state, so that the state can fulfill its constitutional mandate to protect the individual and the family and achieve the goal of the common good.

Guatemala's conditions of underdevelopment derive from factors that tend to endanger social peace and tranquillity. Security should enable the state to structure and maintain a democratic political and social order that is just, rather than provide ideological support for an authoritarian and repressive government.

Intelligence and Information

Intelligence should be understood as an administrative mechanism—as an instrument of governmental management rather than one of political control or repression.

The sole purpose of this mechanism is to gather, process, analyze, and interpret all information that is appropriate and necessary in order to anticipate or explain the characteristics, origin, and other risk factors associated with situations or events that represent a threat to the nation when viewed in the context of national security that has already been explained above in very brief form.

If the intelligence services are not properly conceived, they can become a threat to the security of the nation and—in many cases—an actual source of social harm as well as sanctuaries for the most diverse and perverse forms of impunity.

Specific Commentaries on the Bill

1. Despite the dialectic effort employed in the explanation of the purposes and articles of the bill, the concepts of intelligence, security operations, and military presence are indissolubly linked in the bill.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

2. Several provisions of the bill are in conflict with the Constitution of the Republic and existing laws, and with principles and experiences that prevail in democratic countries.

Examples

a. The mechanism whereby certain decisions would be taken by vote of the National Security Council is in conflict with the powers, authority, and responsibility of the president of the Republic as established in the Constitution.

b. Article (Item) 3 of the bill is imprecise and general, as if to leave outside its scope certain specialized organs—or organs recognized by the Constitution and by law—such as the Council of Ministers itself, the Economic Planning Council, the Monetary Board, the municipality, and the University.

c. The granting of the status of...an entity with autonomous administrative functions...within the Executive Branch itself to the Secretariat of State Intelligence (in Article 4) is unconstitutional.

d. The text of Article 8 (regarding publicity) should be revised so as not to restrict, or distort, those constitutional rights that relate to the publicizing of administrative actions; free access to sources of information; and the prohibition of the maintenance of registers of personal data.

e. Article 9 seeks to make the action of civil servants and officials of the organs of the state—and of its decentralized, autonomous, and semiautonomous entities—subject to those requirements of the Secretariat of Intelligence that relate to information and documents.

This article conflicts with the constitutional principle of the separation of powers—a principle that includes institutional autonomy—and at the same time would create a superauthority outside the structure of the state proper.

f. Article 30—which prohibits the creation of other intelligence services—should be revised.

g. The bill does not establish any mechanism of control over the authorities of the Secretariat of Intelligence, including the most important mechanism of all: the Legislative Branch. Its enactment would therefore amount to an obvious and inappropriate renunciation—by the Legislative Branch—of its own powers.

Honduras

Commission To Request 'Classified' U.S. Information

PA2104220395 Tegucigalpa LA TRIBUNA in Spanish
21 Apr 95 p 90

[FBIS Translated Text] An interinstitutional commission will investigate the biggest swindle ever suffered by

the Honduran State in the sale of citizenship to Chinese citizens by not collecting about \$470 million equivalent to 5.076 billion lempiras.

Nevertheless, to arrive at the truth and learn how much of a fortune this business produced and who gained from it, this commission will request classified information from the United States that Senator Jesse Helms claims to have.

The citizenship sale took place following a decree issued by the previous administration and according to what was learned, left many people with great fortunes and the Honduran State cheated out of more than \$470 million.

All reported irregularities will be investigated by the interinstitutional commission that is comprised of the Migration Directorate, Government Ministry, Central Bank of Honduras, National Registry, and the Attorney General's Office.

IT WAS \$500 MILLION

Citizenships were sold to Asians for \$25,000 each, and as a measure of control to legally move about in the national territory or in the United States—the destination of most of them—those who purchased the citizenship had to renew their passports.

Foreign Affairs Minister Ernesto Paz Aguilar said that it is ensuring that the interinstitutional commission is ready because it will be tasked with evaluating the documents that the Chinese will present when the time comes for them to renew their passports.

During the previous administration, Paz Aguilar said, there were 1,913 legal naturalizations that are registered at the Government Ministry. Nevertheless, there are about 18,000 illegal naturalizations that theoretically earned the treasury \$500 million or its equivalent in lempiras—5.4 billion. The Foreign Ministry reckons this amount based on 10.80 lempiras to the dollar.

THE SWINDLE OF THE CENTURY

According to Paz Aguilar, of the \$5.4 billion, only about \$31 million entered the Central Bank, which amount was distributed to different enterprises to make investments in the country.

In view of this, he announced that an investigation will be made to learn where the remaining millions that should have entered state coffers are. "We are talking about over \$470 million and the national press has reported on various occasions that this could be the swindle of the century against the state," the minister said. If these \$470 million that were not received are calculated at 10.80 lempiras to the dollar, the swindle would amount to 5.076 billion lempiras.

CLASSIFIED INFORMATION

The official explained that the commission intends to "thoroughly" investigate and come up with exact results, "and this way, we will keep the president's campaign promise."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The Foreign Ministry has written a letter to U.S. Secretary of State Warren Christopher asking that the United States supply all the information it has, based especially on its legislation that protects state information.

The minister said that the intention is to allow foreign investigators, in this case Hondurans, to gain access to classified information, such as that Senator Jesse Helms claims to have and who announced this possibility.

"Now the Honduras Government is requesting access to this information," the minister said.

THIS IS HOW THE DEAL WAS MADE...

- The previous administration carried out 1,913 legal naturalizations.
- Nevertheless, about 18,000 illegal naturalizations were registered.
- These last ones earned in theory \$500 million, in other words 5.4 billion lempiras.
- In reality, out of those \$500 million, \$470 million did not enter the coffers, or 5.076 billion lempira.

Panama

Foreign Minister Committed to Combating Terrorism

PA2104151595 Panama City LA PRENSA in Spanish
21 Apr 95 p 4A

[Report by Jose Quintero De Leon]

[FBIS Translated Excerpt] Foreign Minister Gabriel Lewis Galindo has expressed his grief to U.S. Secretary of State Warren Christopher on the "cowardly attack" that killed more than 30 people in Oklahoma.

"Likewise, I express our full commitment to the permanent struggle by your government against international terrorism which cowardly and treacherously attacks nations and people that resist its dark designs, while I also assure our total support to all initiatives by the government of Your Excellency to find those guilty of such detestable acts that are an affront to humanity," Lewis said in his note sent to the U.S. capital.

Last night the Legislative Assembly approved a resolution proposed by Christian Democratic Party legislator Ruben Arosemena, which condemns the acts of violence that are currently shaking the world, particularly the attack on Spanish opposition politician Jose Maria Aznar, president of the Spanish Popular Party. [passage omitted]

The Legislative Assembly resolution strongly condemns any act of violence designed to allow brute force to prevail over reason.

In addition, the resolution expresses its solidarity with the president of the Spanish Popular Party and relief

over his health, while also regretting with grief the suffering of innocent victims in this inadmissible attack.

Former Colombian Politician Gunned Down Near U.S. Base

PA2304010195 Paris AFP in Spanish 2332 GMT 22 Apr 95

[FBIS Translated Text] Panama City, 22 Apr (AFP)—Colombian Sofronio Hernandez, a 56-year-old former leftist politician, was gunned down Saturday afternoon at the Clayton Riding Club, 10 km northeast of Panama City, witnesses and police sources stated.

Hernandez was hit by nine out of 12 bullets fired by a group of unidentified persons, apparently at the Club's gate, which is located near the U.S. Fort Clayton, Ninth Public Prosecutor Dina Torres stated.

According to witnesses, a man got out of a luxury car—in which two other persons were waiting for him—and fired at Hernandez before dozens of persons at the club. The killer and his accomplices raced away and changed vehicles just 1 km from the scene of the crime, witnesses told the local press.

According to Colombia's Radio Caracol, the murder was reportedly perpetrated by groups in that country which accuse Hernandez of being the main supplier of weapons to the guerrillas, laundering drug money, and serving as a front man for the Revolutionary Armed Forces of Colombia (FARC).

The Panamanian media identified Hernandez as a Colon Free Zone businessman who was attending an exhibition of Colombian horses. The Ninth Prosecutor's Office removed the body, which was taken to the Santo Tomas Hospital morgue in the midtown area. The prosecutor announced that an investigation was begun to find the killers. Hernandez had lived in Panama for seven years.

Peasant Group Claims Responsibility

PA2304010495 Madrid EFE in Spanish 2255 GMT
22 Apr 95

[FBIS Translated Text] Santa Fe de Bogota, 22 Apr (EFE)—A paramilitary group in central Colombia claimed responsibility for the murder of Colombian Sofronio Hernandez Gomez in Panama City today.

Colombia's Emisoras Caracol Network reported that this group has been charged with providing weapons to leftist guerrilla groups. [sentence as received]

The radio station reported that Hernandez Gomez was riddled with bullets as he was leaving a horse show in Panama City, where he had taken up residence seven years ago for security reasons. The station also reported that the "Peasant Self-Defense" group in the agricultural regions of Uraba and Cordoba had claimed responsibility for the crime.

Hernandez, who was 56 years old, occupied a seat in the Antioquia Department Assembly for the Communist

Patriotic Union Party. The party was created in 1985 and has been practically exterminated as more than 2,000 of its members have been murdered.

According to official sources, Sofronio Hernandez Gomez was one of the main weapon suppliers to the Revolutionary Armed Forces of Colombia (FARC, the

oldest ~~rebel~~ group in the country) and was also charged with laundering drug money.

Before leaving Colombia, the victim had received death threats expressed in leaflets thrown from a plane in the Uraba banana region. The leaflets stated that he was the FARC's financial chief.

Argentina

Menem: Oklahoma Bomb Has 'Mean,' 'Political' Ends

PY2104180295 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1527 GMT 21 Apr 95

[FBIS Translated Text] Buenos Aires, 21 Apr (NA)—President Carlos Menem said today that the Oklahoma City attack had "mean and political ends, just like the case in Buenos Aires" when the Israeli Embassy and the headquarters of the AMIA [Argentine-Israeli Mutual Association] were razed.

He emphasized: "We cannot turn a blind eye to an event of such proportions."

The head of state praised the attitude adopted by the American people, "who are wholly united and are working flat out to identify those responsible."

Menem pointed out that investigations should be conducted to determine "where these attacks come from and work toward the arrest of the lunatic, the savage who caused this tragedy that has thrown mankind into mourning."

The president, speaking on the radio program "Rolando a Las Siete," broadcast by Radio Baires, insisted: "It was said that such things could not occur in an industrial country."

Menem said that he intended to telephone U.S. President Bill Clinton in the next few hours. He confirmed that yesterday he talked with the president of Spain's Popular Party, Jose Maria Aznar, who emerged unscathed from an attempt on his life because his car was armored.

The head of state said: "Aznar is fine. He is convinced that Spain will prevail over the terrorism of this ETA [Basque Fatherland and Liberty] organization, which by wreaking havoc and death is a constant headache to Spain."

Moreover, Menem said: "Many times terrorists carry explosives in suitcases or any other containers because for them, bloodshed and death is a way to nourish and strengthen their savage instincts."

Foreign Minister Criticizes U.S. Trade Policy

PY2104184595 Buenos Aires TELAM in Spanish 1414 GMT 21 Apr 95

[FBIS Translated Text] Buenos Aires, 21 Apr (TELAM)—Foreign Minister Guido Di Tella today described as disastrous and old-fashioned the U.S. trade policy, especially regarding agricultural products.

Speaking from Washington, Di Tella emphasized: "The U.S. trade policy leaves a lot to be desired." Di Tella is

negotiating with U.S. officials to prevent trade sanctions against Argentina, following the partial veto of the patents bill.

The minister told Radio America: "The United States pursues an open policy on many products, especially industrial products, yet regarding agricultural products, its policy is disastrous and old-fashioned."

Asked if he would describe U.S. Trade Representative Mickey Kantor's decision to suspend peanut and candy imports as a reprisal, the foreign minister said: "Most worrisome is that this proves that the country is stuck in the past."

On the patents bill issue, Di Tella indicated: "We want to be quite sure that (the people in Washington) precisely understand" the position of the Argentine Government.

Di Tella added that similar negotiations are being conducted "in EU countries" to support the executive branch's objections to some points in the patents bill that have worried the EU.

Menem: General Strike 'Total Failure'

PY2204041095 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1430 GMT 21 Apr 95

[FBIS Translated Text] Buenos Aires, 21 Apr (NA)—President Carlos Menem this morning characterized the strike organized by opposition labor unions as a "total failure." The president said "the measure is against the wishes of people who are serving the country."

"It is a total failure. Any labor measure that is motivated by political reasons will fail. These movements do not contribute to the progress of an Argentina that is growing and increasingly projecting itself at the international level," the head of state said.

Menem made these remarks to Radio Baires during the program "Rolando at Seven." The president said "we cannot continue with these obsolete methods," referring to workers' attitude.

"Let us review the names of the people involved in the strike: A young lady, (Marta) Maffei, who is replacing Mary Sanchez; (Saul) Ubaldini, whose speech is typical of the 1940's; and (Victor) De Gennaro, from ATE [Association of State Workers]. This group of people has always held these attitudes," Menem stressed.

The president added: "Another person supporting this strike is (Carlos) 'Perro' Santillan, a very well-known Trotskyist labor leader."

Menem stressed that "people no longer listen to these leaders because it means going back to the Argentina of 40, 50, or 60 years ago."

"It is no longer possible. (The strike) does no good to our political or labor system. Workers watch as labor's image increasingly deteriorates, at least at the level of these leaders," Menem said.

The president stressed that "the healthy and pure labor movement is made up of workers who try to overcome the problem of unemployment and only want to produce and work." The president added that "you produce and work as you should when you do not get involved in measures with strong political content, like this strike."

"If what you want is to work, you will probably realize that this measure goes against the yearning and hopes of the people who are at the country's service," the president said.

Menem rejected the Movement of Argentine Workers (MTA) and Argentine Workers Congress (CTA) criticism of the General Confederation of Labor [CGT] for not supporting the strike.

"It does not mean the CGT is submissive. Workers are simply protecting their jobs and avoiding situations that might affect their earnings, such as absenteeism, because they do not want to lose one day of work," the president explained.

With respect to the strike, Menem said that "85 to 90 percent of the trains, 65 to 70 percent of the subways, 60 to 70 percent of the buses, and 30 percent of the long distance transport services are operating. Argentine Airlines suspended one flight, and commercial transportation is normal."

"This means that the strike is a total failure," the president emphasized.

Menem recalled that "the strike was started by one union, the Metalworkers Union (UOM), which was affected by the situation in Ushuaia," as a consequence of the grave incidents last week that ended with the death of worker Victor Choque.

"Other unions joined later for purely political reasons and in order to paralyze the country. But so far their purpose is obviously not being fulfilled and will not be fulfilled," the president said.

When the journalist warned the president that the unions decided to stage the strike after the death of Choque, a construction worker, Menem said Choque was killed by a stray bullet.

"Choque, who was affiliated with the provincial party that is currently ruling Tierra del Fuego Province, was a youngster who was hit by a stray bullet. That is the truth, and that is the report we are working with," Menem said.

The president concluded by saying: "You do not honor the memory of a man of Choque's goodness and capacity to work in this way, by trying to paralyze the country."

Bolivia

State of Siege Reportedly Yielding Expected Results

PY2204030095 Madrid EFE in Spanish 0927 GMT 21 Apr 95

[By Alejandro Varela]

[FBIS Translated Excerpt] La Paz, 21 Apr (EFE)—The Bolivian Government is beginning to obtain the results expected with the state of siege and the arrest of the main union leaders.

The street demonstrations and violent confrontations between demonstrators and the police have fully ceased in most towns throughout the country, and tranquillity has returned without the need to deploy a large number of police or military troops on the streets.

However, in Cochabamba, 400 km east of La Paz, university groups confronted anti-riot police with rocks.

The persistent teachers' strike, which has been conducted with discipline for more than a month throughout the country, has been suspended in most public schools of three of the nine departments (provinces) in which the country is divided.

In Santa Cruz, Pando, and Beni, eastern departments, most public schools have opened their doors and school activities have resumed.

The general and indefinite strike the Bolivian Labor Federation (COB) has called for throughout the country has also been weakened, while in Beni Department it was suspended when the workers reached an agreement with the regional government.

The call to resistance and to harden the protest measures made from hiding by the few COB leaders who have not been arrested has initially had a negative effect on the workers.

The main public services in the country are fully operational and the flow of daily life in towns is clearly smoother than before the declaration of the state of siege.

The same overall situation holds true as regards the inflamed regionalism throughout the country, which, in the case of the southern Department of Tarija, had acquired secessionist overtones with the formation of self-government, the promoters of which are now at large and in hiding. [passage omitted]

Minister: Accords Achieved With COB To Be Honored

PY2204030195 La Paz Television Nacional Network in Spanish 1700 GMT 21 Apr 95

[FBIS Translated Text] Human Development Minister Enrique Ipina has said that the progress and the agreements achieved so far between the government and the COB [Bolivian Labor Federation] will be honored. He also announced the creation of a committee to continue analyzing this issue.

Following the arrest of the union leaders during the COB national meeting and the implementation of the state of siege, the progress achieved during two weeks of negotiations between the government and workers, with the

mediation of the Catholic Church, remains. Many subjects are pending, especially with regard to the government's intention to review the educational reform law, the designation of district education directors, qualification tests, and aspects referring to the teachers' professional work and grade structure, among others.

Minister Ipina said that all agreements reached thus far will be honored, and that a multi-sectoral committee will be created to continue analyzing this matter.

[Begin Ipina recording] This committee will include the COB, the two teachers' confederations, the General Trade Union Confederation of Peasant Workers of Bolivia, the Indian Confederation of Eastern Bolivia, and the Catholic Church. Representing the government, there would be six national secretaries of sports, culture, health, rural development, ethnic development, education, and people's participation. [end recording]

Concerning the salary issue, Minister Ipina said that the government offer of 8.5 percent prevails, but that teachers and health workers will receive a higher percentage.

[Begin Ipina recording] The increase granted for health and education has been set at 12 percent. This is what the government has promised. There is no reason to doubt it. This increase is across the board and not individual. [end recording]

The minister added that the multi-sectoral committee created to study matters related to educational reform and other issues will begin working as soon as possible.

COB Continuing To Organize, Meet Clandestinely

PY2104215395 La Paz Television Nacional Network in Spanish 1700 GMT 21 Apr 95

[FBIS Translated Text] The Bolivian Labor Federation [COB] continues to meet clandestinely.

During a conversation with a COB leader, he told us that the general and indefinite strike continues.

The COB leaders who were not arrested or banished continue to organize and meet clandestinely.

As a result of these clandestine meetings, a communique addressed to the workers and people of Bolivia was issued.

According to a COB representative, the communique urges the workers to oppose the state of siege by, in a disciplined manner, observing the instructions from the COB's clandestine leadership, that is, by maintaining the general and indefinite strike and carrying out hit-and-run demonstrations.

[Begin recording] [Unidentified reporter] Oscar Salas is now in La Paz. Have you been in contact with him?

[Unidentified COB leader] We were unable to do so because everything is tightly sealed or closed. We do not have any information on the whereabouts of some other leaders, either, and I want to emphatically point out that intelligence agents have been deployed to try to prevent the workers from carrying out their plans. But despite the measures of repression and threats, we will continue our struggle.

[Reporter] Have you been persecuted during the past few days?

[COB leader] Yes. This is why we maintain that intelligence agents have been deployed everywhere and, therefore, I believe in the importance of this appeal to the workers to organize and confront the measures implemented by the government. [end recording]

The COB communique also refers to a national COB meeting to be held clandestinely. The date, time, and site of the meeting have already been established.

Peasant Leader: Road Blocks To Begin 24 Apr

PY2104224095 La Paz Television Nacional Network in Spanish 1700 GMT 21 Apr 95

[FBIS Translated Text] This station has been able to contact another leader of the National Confederation of Bolivian Peasant Workers [CNTCB] who has also gone underground. He is Geronimo Meneses, and he said that road blocks will begin on Monday [24 April] at the national level.

[Begin Meneses recording] I want to mention other members of the CNTCB executive committee who are underground, such as Felix Santos, and some seven others. [end recording]

This peasant leader reportedly met with other representatives of the confederation on 21 April. The decision to block roads was said to have been made during this meeting.

[Begin Meneses recording] The decision had been made much earlier; we only needed to establish the dates when the blockades would be carried out. Together with the CNTCB executive committee, we have decided to block roads as of 24 April. The guidelines we are going to release will only include road blocking strategies we will implement in the future. [end recording]

Meneses declined to provide further details on how these blockades will be carried out throughout the country. He also told us about a note he had received from Evo Morales, leader of the coca growers federation. He said:

[Begin Meneses recording] We have received a note from our colleague Evo Morales instructing all tropical workers, from Cochabamba at least, not to eradicate a single coca plant until the government frees all arrested leaders and provides guarantees to them. [end recording]

Meneses concluded by affirming that this organization will continue carrying out these types of coercive measures from hiding.

[Begin Meneses recording] We who are underground will continue our struggle. We will not stay in our homes just because there is a state of siege. [end recording]

Further on Situation of Arrested Union Leaders

PY2204021695 La Paz Television Nacional Network in Spanish 1700 GMT 21 Apr 95

[FBIS Translated Text] Government Minister Carlos Sanchez Berzain has said that neither the press nor relatives will be allowed to visit the 323 banished individuals. He added that Carlos Palenque is not persecuted.

The government minister today finally released the list of detainees. There are a total of 323 detainees. This number does not include the group of Evo Morales, who is considered a special case.

[Begin Sanchez Berzain recording, in progress] ...one in La Paz, 80 in San Joaquin, 77 people in Apolo, 31 in Ramon Dario, 93 in Colchaca, and 21 in Puerto Rico.

A total of 20 people were arrested today in La Paz. With this, 323 people have been arrested. [end recording]

A total of 74 people have been released over the past two days. The minister has confirmed that Oscar Salas is back in La Paz.

[Begin Sanchez Berzain recording] He is very ill, and we are doing everything possible to see that he receives all his medicines and, within that framework, all the humane and necessary medical aid. In addition to this, I also want to tell you that Mr. Ruben Cortes, secretary general of the Cochabamba departamental COB [Bolivian Labor Federation] office, has also been arrested. But since he was suffering from a lung infection, he has been hospitalized at the Copacabana police clinic. [end recording]

Oscar Salas is being held in custody at the Air Force headquarters in El Alto. Sanchez Berzain said that those banished to distant places will not be allowed interviews with the press, but will be allowed visits by the human rights committee. He added that a recently created office will receive the letters and packages sent by their relatives.

Concerning the situation of politicians, he has confirmed that Guillermo Lora, leader of the Revolutionary Workers Party, is wanted by the police.

[Begin Sanchez Berzain recording] Mr. Guillermo Lora is not under arrest, but is wanted by the police. This has been confirmed by Telmo Roman, adviser and one of the main masterminds of the subversive process headed by the Trotskyist group of teachers. [end recording]

Concerning Palenque, who also feels persecuted, the minister said the following:

[Begin Sanchez Berzain recording] Concerning Mr. Palenque, I want to tell you that the state of siege is a serious process, and it does not contemplate the arrest of any television personnel. But I also want to warn him that as a television figure, he must also respect the law and try to help the government in maintaining public order instead of doing just the opposite. [end recording]

He added that neither Oscar Zamora, aka Motete, nor the civic committee members are persecuted.

[Begin Sanchez Berzain recording] The only thing we are asking the civic committee leaders is that they respect the state of siege. [end recording]

The minister added that the press has been given guarantees to carry out its work and that no reporter is under arrest at this moment. He concluded by saying that the country is calm, including the Chapare region, where the objective of eradicating 1,750 hectares of coca crops will be fulfilled by 30 June 1995.

Another report states that 19 people were arrested at dawn today for violating the Act of Good Government. According to the departmental police commander, a total of 19 people were taken to police precincts for violating the state of siege. He said:

[Begin police commander recording] A total of 25 vehicles were seized in La Paz and El Alto. These vehicles were taken to the traffic operations department. Also, a total of 19 people were arrested for violating the Act of Good Government. These people were taken to the police precincts located on Pando Avenue. [end recording]

The most frequently violated rule concerns the circulation of vehicles without a safe conduct document. The police commander explained, however, that people can move from one place to another by walking.

[Begin police commander recording] According to the Act of Good Government, people in groups of less than three can walk on the streets. If in groups of more than three, obviously they are already violating the rule. [end recording]

Violations, including those with regard to the sale of alcoholic beverages, are punished with a 24-hour arrest. The imposition of fines is forbidden, however, the police commander explained.

Brazil

Oklahoma, Other Attacks Viewed as 'Intolerable,' 'Absurd'

PY2104230795 Sao Paulo FOLHA DE SAO PAULO in Portuguese 20 Apr 95 Section 1 p 2

[Editorial: "Faceless Beast"]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] Oklahoma City, United States. A car-bomb destroys a federal building, injuring hundreds and killing an as yet unspecified number of people, including several children. It is the most serious attack in U.S. history. In a wave of panic, public buildings all over the country are evacuated. Terrorism has invaded the routine of life in the United States.

Yokohama, Japan. One month after the attack against Tokyo's subway, which killed 12 and intoxicated hundreds, some 400 train passengers are taken to hospitals, poisoned by a chemical attack. The Japanese people, unaccustomed to urban violence, begin to fear leaving their homes and do not know how to protect themselves.

Madrid, Spain. A car-bomb apparently intended to kill a politician explodes in a residential neighborhood, injuring dozens of people.

All that happened yesterday.

These simultaneous occurrences caused distant victims to feel the same consternation, the same pain: U.S. public servants and their children, Japanese citizens, Spanish passers-by. All of them were attacked in their routine life by brutal, incomprehensible violence, faceless violence which has nonetheless a name: terrorism.

It would be useless to try to list the possible perpetrators: radical Islamics, fanatical religious people, Basque separatists. Confronted with defenseless victims, facts of diverse magnitude have the same seriousness: The most serious attack in the history of the United States, a virtual repeat tragedy in Japan, and another attack in a listing of sinister occurrences in Spain.

Today the world at large is mourning, and it is afraid. It is afraid of a faceless beast, which can appear anytime, anywhere. Any explanation, either political or social, is overshadowed by one fact: The victims of terrorism are innocent people. In addition to being intolerable, it is absurd.

Editorial Decries Attacks, 'Death of Innocents'

PY2204000195 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 21 Apr 95 p A3

[Editorial: "The Death of Innocents"]

[FBIS Translated Text] Wednesday, 19 April 1995, will be one of those days engraved on the stones that pave the path leading to Saint John's *Apocalypse*, because on that day tragedies occurred in Oklahoma City, Madrid, and Yokohama. The attack on Jose Maria Aznar is the only one that has a *reason*, because it can be included in the long list of similar attacks perpetrated by the ETA [Basque Fatherland and Liberty]. These attacks can be understood in light of the rebellion issue that links the Spanish anarchists to the French Third Republic "individualists" and the Russian "populists" who lived under tsarism. The two other cases approach madness, but are enough to show that the "death culture" to which Pope

John Paul II referred is much more enfolding and encompassing than his holiness tried to portray. It is more enfolding and closer to evil because industrial civilization has placed the instruments for massive destruction at the disposal of nearly everyone.

Fifty years after the end of the war in Europe, the world has found out that it does not face a *system* that has been built to kill in industrial volumes (such as the Nazi concentration camps, the Stalinist gulags, and the Japanese camps for medical experiments), but small groups, and sometimes even individuals, who are prepared to kill. The "individualists" and the "populists" also killed, but only people whom they deemed responsible for the social system they were fighting against. They killed these people and identified themselves, insisting on giving their own lives to justify the taking of others' lives. The Oklahoma City and Yokohama terrorist or terrorists are of a different psychological type because they live in the shadows and kill innocents.

The Spanish people still remember their cruel civil war and have been coexisting with terrorism for a long time. In contrast to the people of Japan and the United States, they had time to build—painfully—a psychological armor, inside which to seek refuge in the face of the ... imponderable. The people of the United States, more so than the Japanese, have found out that the same technological progress that allowed them to conquer outer space and reach the moon has not made them invulnerable to any person's homicidal fury. The feeling that the imponderable can occur again tomorrow destroys the structure of any personality, casts doubts about the legitimacy of governments that cannot defend their peoples from the unforeseeable, and destroys social cohesion. This must be one of the objectives of those who kill—indiscriminately—men and women, old people, adults, and children—particularly children—with bombs or gas. One must be filled with real faith in order not to become desperate at the time of the *great earthquake when the sun becomes as black as a sackcloth of hair*, as mentioned in Saint John's Gospel and as was experienced in Oklahoma City. In view of the death of innocents, many are claiming that God is unfair to allow a holocaust involving children. To make people complain against God is also the objective of these anonymous murderers: They not only seek to weaken and destroy authority, but also to make the most insecure distrust Almighty God's motives.

The Oklahoma crime is so hideous that even organizations that make terrorism their *raison d'être* have made certain they explained that they were not linked to it. This was done by the Branch Davidian sect, whose members were initially suspected of being responsible for the attack. They made sure their names were not linked to this crime because it surpasses, by far, anything a human being is considered capable of doing *outside the government apparatus*. The concentration camps and the gulags had their own sinister *productive logic*. The anonymous murderer, particularly one who murders children,

frightens because he reveals the Satanic side of human beings. It is the evil revealed in this crime that forces one to recall the first reactions to the bomb dropped on Hiroshima or to revelations about the concentration camps. Concerned only with the effectiveness of techniques that are becoming increasingly more sophisticated and have been placed at the service of evil, or of effectiveness as an end in itself, humanity lost all references to the absolute. Material and technological progress may have been accompanied by an equivalent moral progress, but exultation over moral and—slowly—technical effectiveness, which is increasingly claimed and sought, ultimately awakened in people the desire to show their capacity and power to destroy society wherever and whenever they wish. Far from the idea of the absolute, far from God (why not say it?), and addicted to the cult of effectiveness, humanity transformed this cult into the culture of death, although to do so it was necessary to seek refuge in sects, fundamentalist movements, or nonreligious fraternities. In nonreligious groups or fraternities such as the ETA, tribute is paid to the "patria chica [small fatherland] concept." Fundamentalist movements seek to impose what they view as the sole law: "Believe or die." In the sects, using the pretext that the end of the world is approaching (those who gain or benefit from this belief are the heralds of doomsday events), the faith of the simpleton is exploited, and they are often sentenced to a collective death.

"If God does not exist, then everything is permitted." We have tirelessly repeated, in literal terms, the challenge made by the Russian millenarianism. On 19 April, the world saw that the culture of death has imposed itself and allowed all sorts of things.

'Specter of International Terrorism' Said Revived

PY2204004695 Rio de Janeiro JORNAL DO BRASIL
in Portuguese 21 Apr 95 p 8

[Editorial: "Wave of Terror"]

[FBIS Translated Text] The attack on a public building in Oklahoma, the United States, with its saga of terror and death, has resuscitated the specter of international terrorism, which hangs not only over the United States but also—and especially—over Europe. Driven by religious fanatics at the service of expanding fundamentalism, terrorists sacrifice human lives (sometimes their own life, in exchange for a reward in heaven) with a really brutal semi-ceremonial attitude.

Political enemies, members of other religions, children, public servants, political leaders—all are targets on the firing line, as was seen in Oklahoma on 19 April, in the attack on the World Trade Center in 1993, and in the attack on the Tokyo subway some days ago. Algeria, which is at the crossroads of political turmoil with a religious nature, is being swept by daily bloody attacks, signaling fundamental changes in the future.

In the case of Oklahoma, it is still early to attribute responsibility, but its effects have caused a wave of insecurity to spread throughout the world. President Clinton condemned the attack, referring to it as a "cowardly, devilish action."

All countries that are open to immigration can in a very short time find themselves witnessing urban terrorist actions, if they lose control of the waves of immigration caused by political and religious change in the countries of origin. In Europe alone there are now at least 10 million Muslims who originally came from other continents. Among them there is a minority who, far from their country, try to destabilize governments with the objective of replacing them with Muslim-oriented regimes, based on the Koran.

Since the end of the 1980's, Islamic fundamentalists have had deployed bases in European countries where they lived in exile, particularly England, France, and Germany. In all of them, governments fear a repetition of the 1970's wave of terrorism, only now on a larger scale, partly because of the use of new and more deadly weapons.

Of late, reports have circulated to the effect that the funds raised to help Muslims from Bosnia and Chechnia have been diverted and used for buying and transporting weapons or political publications. Extremist groups like Lebanon's Hizballah, the Palestinian organization Hamas, Algeria's Armed Islamic Group (the most violent) and Islamic Salvation Front, Tunisia's An Nahda, and Egypt's Muslim Brotherhood share—despite their different objectives—the same bases and the same mosques.

The transfer of their arena of action, with bomb attacks used to focus and capture attention, is destined to create an atmosphere of insecurity around the world. It can be an attack in Buenos Aires, a fire bomb in New York, or poisonous gas in Tokyo. Although the locations appear to be chosen at random, the actions are surely driven by a deliberate attempt to take the battlefield to streets all over the world.

Sacrificing innocents is, for car-bomb terrorists, a meaningless detail. Yet for the Western conscience, urban terrorism and bloodshed on behalf of ideologies cannot be tolerated, and must be, as President Clinton promised, "promptly, accurately, and severely punished."

Charges May Lead To Cancellation of Sivam Contract

PY2204013495 Rio de Janeiro JORNAL DO BRASIL
in Portuguese 21 Apr 95 p 4

[Article by Leandro Fortes]

[FBIS Translated Text] Sao Gabriel da Cachoeira—The Strategic Affairs Secretariat (SAE) is already looking for a solution to the problems that are delaying implementation of the Amazon Region Surveillance System (Sivam),

in the wake of the charges pressed against Esca, the Brazilian enterprise that developed the system's operational program. One of the possibilities is the use of Esca engineers through federal government intervention in the enterprise, or even the hiring of technicians for another enterprise to be created exclusively to serve Sivam.

The difficulties, however, did not prevent SAE and Aeronautics Ministry representatives from announcing the construction of a hydroelectric power plant in Rio Negro—to begin on a still unspecified date—to supply power to the future Sivam facilities. The announcement was made on 20 April in Sao Gabriel da Cachoeira, 850 km from Manaus. Incidentally, Sivam is already something real in that Amazonas spot. A \$4.5-million radar has been operating at Sao Gabriel da Cachoeira for almost six months. Three other radars have also been installed, in Manaus, Boa Vista, and Tabatinga, Amazonas. The first two are already operating, while the Tabatinga radar is undergoing a final test phase. This set comprises the embryo of Sivam.

The hydroelectric power plant was designed to eliminate the power supply problems in Sao Gabriel. In that town, the radar operates thanks to a thermoelectrical plant that consumes 25,000 liters of diesel oil per month. The curious thing about this is that the four radars were purchased as part of the equipment bought by the Cindacta [Combined Air Safety and Air Traffic Control Center] system from the French enterprise Thomson, which lost the Sivam tender to the U.S. company Raytheon.

Delay—If Esca is excluded from the program, the Sivam implementation timetable could be delayed by at least three years. Esca has been charged with having counterfeited some 100 social security contribution receipts.

According to Brigadier Normando Araujo de Medeiros, director of Electronics and Flight Protection of the Aeronautics Ministry, considering that no other enterprise in Brazil has the know-how of Esca in the sector, the most feasible alternative is for the government to train its own personnel. This is the reason for the expected delay in implementation of the radar, remote sensing, and telecommunications network that was to start operating five years after the signing of the contract with Raytheon, the U.S. equipment supplier.

The Sao Gabriel da Cachoeira radar also served for linking the Sivam image with social initiatives. On 19 April, on Indians' Day, Brigadier Arquimedes Filho, the SAE executive secretary, attended the dedication of the Indian House in the municipal district.

SAE also coordinated the agreements for restoration of a 50-bed hospital and a federal agricultural school in Sao Gabriel.

The federal attorney general may request the cancellation of the Sivam project if Esca—which has been

charged with defrauding the INSS [National Social Security Institute]—is found to be ineligible. "It would be better to wait for the results of the investigation," said Jose Eduardo Santana, chief attorney of the Sao Paulo criminal court.

The INSS filed five lawsuits against Esca. In addition to Santana, the case is being investigated by attorneys Ricardo Naha, Laura Noemi dos Santos, Luiza Cristina, and Maria Iraneide de Oliveira, who should report on the lawsuits in 30 days.

There are four possible outcomes with regard to the lawsuits: shelving because of lack of evidence, confirmation of the charges and consequent prosecution, police investigation, or request for further evidence and depositions. "We will work with the impartiality and urgency that the case deserves, because of its importance and its repercussions," Santana said.

The attorneys have all the documents provided by the INSS, including the contribution receipts which Social Security technicians believe to be counterfeited. If the fraud is confirmed, the attorney general will request a preliminary resolution canceling the Sivam project contract and opening a public civil court action against the public servants involved.

ESCA Denies Irregular Social Security Contributions

PY1804151195 Sao Paulo FOLHA DE SAO PAULO in Portuguese 14 Apr 95 Section 1 p 3

[Paid ad published by the ESCA company]

[FBIS Translated Text]

Communique

In view of the accusations of which it is the object, ESCA, Automation and Control Systems Engineering, clarifies the following to the public:

1. In December 1994 a National Social Security Institute [INSS] team carried out a routine inspection in ESCA offices. ESCA gave the INSS team members all the documents necessary for the inspection.
2. On 5 January 1995, ESCA received a notice stating that there could be some irregular procedures with regard to its INSS contribution documents.
3. At the beginning of February 1995 ESCA learned, through an official document, that some credits were actually not paid.
4. ESCA therefore proceeded to again verify its documents and concluded that at least according to its own control measures, the documents were appropriately paid and approved. Thus, there were no irregularities.
5. Since the relevant institute did not issue a formal and definite declaration on the alleged irregular procedures, ESCA filed for an administrative investigation on 1

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

February 1995, according to INSS protocol numbers 54 and 61, explaining its conviction and assertion that all the legal procedures had been respected and asking for a new CND (Negative Debt Certificate from the INSS), given that such a document always has a short validity term.

6. Up to the present, the new CND has not been granted, nor has there been a reply about the administrative investigation requested by ESCA before the INSS.

ESCA has been operating for the past 19 years, and has 800 employees. It is a legitimate national company dedicated to the technological development of automation and control systems, telecommunications, and space engineering. ESCA does not accept unfounded accusations made sheerly on the basis of political and opportunistic interests. Its commitment to national development goes beyond parties and ideologies, which can be verified by the work done to date. Such work has always been done with efficiency, seriousness, and in keeping with Brazilian interests. ESCA considers the unfounded accusations to be of the exclusive interest of groups that oppose the installation of the Sivam, Amazon Region Surveillance System, which is an essential initiative for the future of the region, and therefore for national sovereignty.

[Signed] ESCA

SAE Studying Possible Replacement of ESCA Company

PY1804154095 Sao Paulo AGENCIA ESTADO in Portuguese 2233 GMT 17 Apr 95

[FBIS Translated Text] Brasilia, 17 Apr (AE)—The Strategic Affairs Secretariat [SAE] is studying "alternatives" to replace the firm ESCA [Automation and Control Systems Engineering] in the administration of the Sivam [Amazon Region Surveillance System] project, which envisages a sophisticated radar system for the Amazon region. The situation of ESCA, which is accused of having committed fraud against the National Social Security Institute [INSS], has been classified as the worst possible by the chiefs of the SAE. The SAE and the Aeronautics Ministry are responsible for the coordination of the Sivam project. ESCA has as yet not been able to explain the accusations against its honesty.

Since the government does not intend to give up having a "national company that will coordinate" the technology that will be transferred to Brazil by the U.S. company Raytheon, it is now attempting to find a new partner to execute the \$1.4 billion contract. Still lacking an alternative to ESCA, the SAE is even studying the possibility of training government experts linked to the military to carry out the role of the ESCA firm.

The Aeronautics Ministry, which is the main defender of ESCA, believes that no other Brazilian company has the technology and capability to replace ESCA. As long as it does not obtain the Negative Debt Certificate (CND),

which is a document issued by the INSS, the government cannot contract work to ESCA. ESCA's situation is even more delicate because it is being accused not only of failing to pay the INSS contributions, but of forging the contribution documents.

As a debtor, ESCA would have been entitled to pay its debt in installments. But as a forger of documents, it does not have such benefit and it has become the object of a criminal investigation.

Far from being settled or resolved, the Sivam case has had new developments: After being received by President Fernando Henrique Cardoso, Deputy Arlindo Chinaglia (PT-SP) [Workers Party-Sao Paulo], who initially raised the charges against ESCA company, will meet on 18 April, in the morning, with Social Security Minister Reinhold Stephanes in the Chamber of Deputies. Chinaglia, who demands the immediate suspension of the Sivam project, has sent the Social Security Ministry a long list of questions.

Meanwhile, Senator Bernardo Cabral (PP-AM) [Popular Party- Amazonas], Senate Foreign Affairs Committee vice president, today said that the government will have to review its contract with ESCA if it is proven that it committed fraud against the INSS. "If someone disrespects the law, no matter who he is, the executive branch must not be indulgent," Cabral said.

SAE Head 'Lied' About Fine for Delay in Sivam Contract

PY2204014995 Sao Paulo FOLHA DE SAO PAULO in Portuguese 20 Apr 95 Section 1 p 12

[FBIS Translated Text] Deputy Fernando Gabeira (PV - RJ) [Green Party - Rio de Janeiro] said on 19 April that Ronaldo Sardenberg, head of the Strategic Affairs Secretariat, "lied" when he said that the Brazilian Government will be fined if it delays the signature of the contracts for implementation of the Amazon Region Surveillance System (Sivam).

According to Gabeira, Sardenberg said that in the presence of President Fernando Henrique Cardoso, during a meeting with congressmen of the Committee for the Defense of Consumers on 11 April.

Deputy Sarney Filho (PMDB-MA) [Brazilian Democratic Movement Party - Maranhao State], the president of the committee, who also participated in the meeting, has confirmed Gabeira's assertion.

Gabeira made these comments after Raytheon Vice President James Carter testified before the Committee for the Defense of Consumers, to clarify controversial data on the Sivam and his company's participation in the project.

Carter said that the names of the private banks that will finance, together with the government, part of the project with the endorsement of the Eximbank, have yet to be defined.

He said that he is not aware of any clause stipulating that Brazil must pay a fine if the signing of the contract with Raytheon is delayed. "Everything has been settled," he said.

Also on 19 April, the Committee for the Defense of Consumers listened to the testimony of Steve Anibal Ortiz, president of Esca [Automation and Control Systems Engineering]. Esca is the Brazilian company in charge of managing the Sivam.

Ortiz, who is a naturalized American originally from Colombia, has not accepted the suggestion made by Deputy Arnaldo Chinaglia (PT - SP) [Workers Party - Sao Paulo] that members of the committee, in the company of supervisors of the INSS [National Social Security Institute], visit Esca headquarters to conduct an audit of the company's accounts.

Chinaglia has read the report on the INSS supervision work with regard to Esca debts with the Social Security Ministry and the existence of forged social security contribution documents.

Ortiz insisted that his company has paid for the social security contributions mentioned in the allegedly forged documents and has promised to send the committee written information and the documents required by the congressmen.

The Esca president has admitted that his company would receive 250 million reais [R] from the government for its participation in the Sivam, instead of the R140 million officially reported. He attributed the new figures, however, to expenditures resulting from hiring of employees and purchase of equipment. These expenditures will be made by the Brazilian Government, through Esca, in order to bypass legal restrictions.

FOLHA DE SAO PAULO has sent Planalto Palace a report on Dep. Chinaglia's comments. As of 2000, however, Planalto Palace had not made any comment on the issue.

Pharmaceutical Industry Criticized on Patent Issue

PY2204032195 Sao Paulo AGENCIA ESTADO in Portuguese 1949 GMT 21 Apr 95

[By Edmilson Silva]

[FBIS Translated Excerpt] Rio de Janeiro, 21 Apr (AE)—On 20 April, Health Minister Adib Jatene criticized the pharmaceutical industry's demand that Brazil approve a patents law ensuring the payment of rights to the headquarters of the company that developed a certain medicine. Jatene also deemed the price of medicines sold in Brazil too high. In the minister's opinion, "medicines are no longer a patrimony of mankind, but the property of enterprises that are protected by patents. This is why medicines have prices that interest laboratories."

While the U.S. industries are pressing the Brazilian Government to approve a patents law, the draft bill already approved by the Chamber of Deputies is being analyzed by the Senate, where it must still be voted on. Minister Jatene also said that "Brazilian leaders must harmonize the prices of medicines to the purchasing power of Brazilians." [passage omitted]

Jatene supported the drafting of more severe laws for the advertising area "so as to prevent advertising of medicines that still have not been registered" by the National Health Control Secretariat (SNVS), headed by pharmacologist Elisaldo Carlini, of the Sao Paulo School of Medicine [Escola Paulista de Medicina—EPM]. Registration by medical authorities means permission for sale of a particular medicine in the country. [passage omitted]

Alcantara Base May Be Operated by Private Initiative

PY1804193495 Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Apr 95 p 4

[Article by Oswaldo Buarim Junior]

[FBIS Translated Text] Brasilia—During a seminar on Public Services Franchises, President Fernando Henrique Cardoso was presented on 12 April with a project to hand over to national and foreign private companies the operation of the Alcantara Launching Center (CLA) in Maranhao State, as part of the implementation project of the Franchising Law.

The document was issued by the Strategic Affairs Secretariat (SAE) and it is meant for national and foreign investors interested in infrastructure projects. It states that the CLA will be handed over to private administration given its high operational costs and the demand for investment to finish the civil construction projects and to purchase equipment.

The SAE proposal also points out the excellent business opportunities and the great private interest in the launching of communications satellites. Private companies have already been authorized by the Brazilian Aeronautics Code to maintain and exploit public airports. Strategic Affairs Secretary Ronaldo Sardenberg said on 11 April that the government will publish the bids only after Congress approves the Provisional Measure [MP] that regulates the Public Services Franchising Law. He thinks that it is necessary to establish "a process to generate trust between the government and private initiative, between Brazil and the international community."

The provisional measure that regulates the franchising project will be reissued on 17 April. The MP rapporteur, Deputy Jose Carlos Aleluia (PFL-BA) [Liberal Front Party-Bahia], said that he will broaden the scope of the legal norms foreseen by the government and regulate the activities of the so-called "independent energy producer." Aleluia reported, however, that he will draft the

bill together with the government to prevent any vetoes of or to it once it becomes a law.

PT Vetoes Members' Participation in 'Light Left'
PY1904022395 Sao Paulo FOLHA DE SAO PAULO in Portuguese 13 Apr 95 Section 1 p 4

[Article by Carlos Eduardo Alves]

[FBIS Translated Text] The PT [Workers Party] has vetoed the participation of the deputies in its bloc at Congress in the forum of congressmen of the so-called "light left" (those that are willing to negotiate with the government). These "light left" congressmen are organizing a forum to present alternative proposals to those the government has suggested to reform the Constitution.

Gilberto Carvalho, PT secretary general and member of the "center" (moderate) faction of the PT, has said: "The PT cannot join a bloc that follows a position like that of Senator Roberto Freire (PPS - PE) [Popular Socialist Party - Pernambuco], who favors easing of monopolies."

Carvalho referred to the government's wish to end the government's exclusivity in exploiting areas like communications and oil, be it through state-owned companies or private companies that are granted government concessions (rights to exploit a business).

On 11 April, Senator Freire hosted in Brasilia a meeting with PPS, PT, PMDB [Brazilian Democratic Movement Party], and PSDB [Brazilian Social Democracy Party] congressmen. PT Deputies Jose Genoino (SP) [Sao Paulo], Eduardo Jorge (SP), and Paulo Delgado (MG) [Minas Gerais] participated in the discussions.

Carvalho said: "We cannot allow Genoino to attribute to the opposition a position different from the one it has."

Carvalho thus referred to an explanation by Genoino to justify his presence at the meeting. Genoino said the parties seek a reform that is not exactly what the government proposed, but that "is not restricted to the opposition's negative position either."

The PT secretary said his party will present proposals for the Constitutional reform.

Carvalho said: "Genoino is participating in the organization on his own behalf. I hope he will respect the PT bloc's position and let the party's collective position prevail."

Genoino repeated his criticism of the PT role in discussing the reform. He believes "the party has no amendment for the economic area and seems not to have a proposal for the country."

Genoino is a member of the PT's "right" (which is considered more conservative and closer to the government). He said he will comply with the PT decision at the

time of voting on the reform. He added: "They cannot forbid me, however, from meet people with whom I have an affinity."

The PT leadership is not planning to punish Genoino or the PT deputies who join the "light" group.

140 Deputies Sign Petition Against Constitutional Reform

PY2204033895 Rio de Janeiro JORNAL DO BRASIL in Portuguese 21 Apr 95 p 2

[Article by Daniella Sholl]

[FBIS Translated Text] Brasilia—The movement in the Chamber of Deputies to make the government withdraw its proposal for the social security area reform is supported by Senate President Jose Sarney (PMDB - AP) [Brazilian Democratic Movement Party - Amapa State]. In a period of only three days, Deputy Wilson Cignachi (PMDB - RS) [PMDB - Rio Grande do Sul State] has managed to convince 140 of the Chamber's total of 513 deputies to sign a request he will send to President Fernando Henrique Cardoso next week. The signed petition asks Cardoso to send Congress another proposal.

"None of the deputies I contacted has refused to sign the request. Among those who have already signed the petition are several PMDB, PFL [Liberal Front Party], and PSDB [Brazilian Social Democracy Party] congressmen," Cignachi said. He promised to make the names of those who signed the petition known after the document is sent to the president of the Republic. He noted: "The amendment for the social security area reform was first defeated when it was split into many parts in Congress. Furthermore, the amendment was defeated by society, which also opposed it. Why should the government insist on a mistake?"

Although agreeing that it would be better to send a new amendment to Congress, the PFL leadership is in a delicate situation because if the government withdraws the current proposal, it would weaken the position of Social Security Minister Reinhold Stephanes, who is a member of the party. The PFL leader in the Chamber of Deputies, Deputy Inocencio Oliveira (PE) [Pernambuco State], has suggested a solution that will be discussed with President Cardoso: The postponement, for 60 days, of the debate on the social security area reform.

Oliveira even doubts that the Constitution and Justice Committee (CCJ) of the Chamber of Deputies will approve the admissibility of the main amendment for the social security area. The voting session is scheduled for 27 April. If the government does not withdraw the amendment by that time and the government leaders feel that the report may be rejected, they will adopt the strategy of obstructing the voting.

Oliveira acknowledged that today there would not have been guarantees for the approval of the report by the

CCJ. Although 16 CCJ members voted in favor and 13 against the report, there are still 22 members who have not made up their minds. Oliveira said: "We will work with these 22 congressmen and ask the president of the Republic what he thinks of the alternative proposals." Oliveira believes that it will be difficult to have the three other parts of the split amendment approved.

However, Sao Paulo Deputy Jose Anibal, PSDB leader in the Chamber of Deputies, does not share Oliveira's opinion. He believes there are conditions for approval of all reports, except the one on bank secrecy. Anibal has asserted that an agreement to this extent was reached on 18 April during a dinner at the home of the government leader in Congress, Germano Rigotto (PMDB - RS). Leaders of the six political parties allied to the government (PSDB, PFL, PMDB, PTB [Brazilian Labor Party], PL [Liberal Party], and PP [Popular Party]) were also present at the dinner.

If this agreement has really been reached, it is not doing very well. The report made by Deputy Gerson Peres (PPR - PA) [Progressive Renewal Party - Para State], which was handed to Congress on 19 April, states that the amendment that deals with the president of the Republic's exclusive competence regarding the draft bills to finance the Social Security Ministry is unconstitutional. Deputy Arnaldo Faria de Sa (PPR - SP) [PPR - Sao Paulo] said: "I vote with Peres and I believe the entire five-deputy PPR bloc in the CCJ will vote with him as well."

Lucena Rumored To Leave Army Ministry

95P20734

[FBIS Media Note] General Zenildo de Lucena may leave his post as Army Minister sometime during 1995 to assume a position as Brazilian military observer to the international organizations in Geneva, Rio de Janeiro daily O GLOBO reported on 30 March. Friends of the general told O GLOBO that since 1994, Lucena has been thinking about replacing Brigadier General Socrates Monteiro, former Aeronautics minister in the Collor administration, in Geneva. According to military sources, Brigadier General Socrates will depart his post in Switzerland within three months.

O GLOBO pointed out that the salary paid a military observer in Geneva by the Brazilian Government is 12,000 reais, the same salary as an ambassador, and would represent more than a 200 percent increase over General Lucena's present salary. In a gesture of solidarity with the troops, General Zenildo de Lucena recently declined the pay hike given to civilian ministers, as did Navy Minister Mauro Cesar Pereira and Aeronautics Minister Mauro Jose Gandra. Instead, O GLOBO reported, Lucena opted to receive only the salary commensurate with his rank of four-star general, or 3,800 reais. Lucena is the only minister in the former Itamar Franco administration to remain in the cabinet of

Fernando Henrique Cardoso, and he may be the first to leave. Lucena, however, is quoted as telling a friend: "I'll only believe it when I see my name on the paper." In addition to the financial advantage, the daily said, the change in assignment will distance the Army minister from the problems confronting the Armed Forces, such as the antiquated state of their equipment and low military wages. In leaving the ministry, Lucena will also be free of the dissatisfaction of generals who have recently been passed over for promotion.

Debts Owed Sao Paulo State Bank Detailed

95SM0287A Sao Paulo VEJA in Portuguese 22 Mar 95
pp 26-31

[Article by Angelica Santa Cruz and Felipe Patury:
"Piano for Four Hands"]

[FBIS Translated Text] Banespa [Sao Paulo State Bank] has always been a giant. It belongs to the richest state in the country, and it has 1,700 branches, 38,000 employees, and assets of over \$1 billion. Brazil's third-largest bank, it is exceeded in size only by the Bank of Brazil and Bradesco [Brazilian Discount Bank]. It has a huge structure, a well-trained technical staff, and over 3 million customers. Seen thus from the outside, Banespa is a power. But when examined from inside, it is found to have gone rotten under the administrations of Orestes Quercia and Luiz Antonio Fleury Filho, both of the PMDB [Brazilian Democratic Movement Party]. VEJA had access last week to a report by the Central Bank's intervention committee, which has been in charge of Banespa since last December. The report lists 61 of Banespa's largest debtors, who owe a combined total of over 1 billion reais, or one-third of the private sector's debt to the bank (see below). Most of that debt was contracted during the eight years that Quercia and Fleury were in office. The 31-page report reveals a world of gross swindles. Loans were made with no security, deadbeats received loans, at least one director asked for a bribe with interest and monetary correction, and operations that would be suspect even in tax havens were planned. "No bank in the world can withstand an assault like that," says the owner of one of the 10 largest private banks in Brazil.

In the mountain of paperwork being examined by the interventors, there are imperishable lessons on how to bankrupt a bank. The size of the crater that was discovered comes to \$21 billion, or 20 times more than the \$1 billion hole that caused the failure of Barings, a banking institution with over 200 years of tradition in Great Britain. The high jinks at Banespa ended in intervention by the Central Bank, when all the directors of Banespa were fired and the 44 occupying high positions in the bank during the preceding 12 months had their assets frozen.

Under the Quercia and Fleury administrations, Banespa operated almost as though it were a personal fund from which one could gather millions of dollars, make deals,

and forget to pay the bill. Quercia launched the assault at the end of his term of office, when he borrowed more than 600 million reais during the time that Fleury was running for governor. "I broke the state, but I elected my successor," he said at the time. Fleury inherited the crippled bank, and since he was prevented by law from taking more money, he cracked its safe using a technology of his own. Banespa did not pay his predecessor's debt, which grew by geometric progression, and it started making loans to friends who rarely put in an appearance at the bank to settle up.

Ulysses' helicopter—The bank was lending money with no genuine security and even deposited \$10 million in the account of Jorge Chammas, owner of the Sao Jorge Mill, without asking for a penny in security to guarantee repayment. At Banespa's Miami branch, Chammas withdrew \$350,000 to buy the helicopter that crashed in Angra dos Reis in 1993 with Ulysses Guimaraes on board. A friend of Fleury's, Chammas did not pay anything. He even reorganized his debt and took another \$16 million—providing only \$15 million as security.

During the Fleury administration, construction firms enjoyed a real feast with the governor's blessing. Mendes Junior borrowed \$50 million from Banespa and, as security, presented unpaid invoices worth \$50 million for work done for the state. The invoices were no good because the state had no money with which to pay them. Mendes' debt to Banespa currently totals \$100 million. "As far as we are concerned, the debt is paid," says Paulo Guido, the firm's manager. "The one owing money to Banespa is the state government." Tratex, another large firm, borrowed \$20 million in 1991. It was owed that same amount for work done for the state highway department, the DER [Highway Department]. As security, it gave Banespa two letters. In one of them, then Secretary of Finance Frederico Mazzuchelli and Secretary of Planning Eduardo Maia guaranteed that the DER would pay its debt to Tratex. The construction company was not paid by the DER, and it did not pay Banespa. It owes the fourth-largest amount: 71 million reais. "The government proposed the transaction. We did not go to Banespa and ask for money," says Joao Sofal, the firm's financial manager.

Of its total debt, 80 percent is owed by Sao Paulo State and 20 percent by the private sector. That means about 3 billion reais floating around in the hands of private businessmen. The bad thing is that 50 percent of the debtors are broke. "Even a rate of 5 percent is too high when it comes to bad loans," says one of the bank's former directors. Another practice at Banespa, and one that no bank allows, is that of concentrating more than 1 percent of its loans in the hands of a single customer. Between 1990 and 1991, 13 percent of Banespa's rural credit was granted to businessman Olacyr de Moraes, the soybean king. Olacyr borrowed 24 million [currency unit not stated] and paid it back. The interesting thing is that at the time, the bank's vice president of operations was a former employee of his named Antonio Hermann, an

executive at the Itamaraty Bank. After leaving Banespa, Hermann returned to the Itamaraty Bank, this time as vice president—a job compensated in the market at an annual salary of \$500,000.

"There was a time when the most active department in the bank was the corridor department," says one of the bank's former directors. "That was where the decisions were made because nothing got past the technical screening." Things reached the point that a branch manager would issue an unfavorable report on a transaction but, knowing that it would be put through anyway, simply asked that the loss not be charged to his particular branch. In 1991 the Brazilian Tractor Company (CBT) borrowed \$3 million. Three managers warned that it was a risky loan. Since they knew that the transaction would go through anyway, they sent a three-line telex to Banespa's management demanding that the debt not be included in the branch's accounts if the CBT did not pay. And in fact, the company did not pay.

Ari panties—The report by the interventors mentions a case that reveals how far out of control things were. Lingerie businessman Ari Spuch, owner of Ari Brassiere Warehouses, got two loans from the bank, one for \$2.5 million and the other for \$300,000, and did not pay back either of them. When called upon to negotiate his debt, Spuch told a story. He said that the \$2.5 million loan was genuine but that the \$300,000 was a bribe extorted from him by Wagner Bonan, the bank's former vice president of operations and the PMDB's campaign treasurer. "The firm claims it has proof that the money was intended for the former director," the report says.

In that report, the interventors provided only a summary of the story they had heard. VEJA interviewed a former director of Banespa, a director of the Central Bank, and a businessman, and they all told the same story about the case. The proof that Spuch claims to have consists of tapes that he himself recorded of the conversations he allegedly had with Bonan regarding bribes. At the bank itself, the episode ended up being known as the "Ari panties case," but it came to nothing. According to those three sources, a copy of the tape was even sent to the then president of the bank, Antonio Claudio Sochaczewski. After that, Bonan ended up being fired from the bank—but only as a joke. Bonan returned to the Banespa Brokerage Company, his original address, with a salary of 4,300 reais. Later he went to work on the staff of then Deputy Joel Freire in the State Assembly, but was paid by the brokerage firm. Bonan was pensioned off by Banespa last 2 March and receives about 2,700 reais per month at his home. When Spuch went to the bank, he owned 12 stores and one factory, but he defaulted and now owns five stores and no factories. Shaken, he went to negotiate the debt with the interventors from the Central Bank. According to one report heard by VEJA, an emissary from the businessman even proposed trading the debt of \$300,000—now estimated at \$684,000—for the tape regarding the bribe.

The path of corruption explains only a small part of the calamity at Banespa. The lion's share of the blame for the hole in the bank's finances is to be found in the atmosphere of irresponsibility, the disrespect for legislation, and the greed with which the bank has been managed since Quercia's time. The hole of of \$21 billion is divided into three main blocks (see below). The amount owed by the state took a tremendous leap during Quercia's administration. He took out two large loans from the bank. In September and December 1990, he borrowed a total of \$660 million to pay for construction work during the final days of the campaign that elected Fleury. As security, he used future ICMS [goods and services movement tax] collections in the state, which was bankrupt. He did not pay the money back, Banespa did not seize the state's ICMS receipts, and the Central Bank did nothing. At the time, Secretary of Finance Jose Machado de Campos Filho sent a letter to the then president of Banespa, Wadico Bucchi, ordering that the loan be made. As a result, Bucchi is likely to be tried for white-collar crime.

Malan a friend—The mess in Sao Paulo would never have reached such proportions without the help of the Central Bank, where Banespa has always received red-carpet treatment. It is known that the state bank has been in the "intensive care unit" since the loans granted in 1990. In transactions of that kind, the Central Bank needs to be consulted. That was what happened in the first transaction, which received a favorable report. In the second transaction, in December, the BC [Central Bank] did not say "no" until \$220 million had already left Banespa's coffers. Bucchi learned from a report by his legal department that the loan was criminal, but he went ahead. The report says that the one responsible for the transaction—Bucchi in this case—could be "punished with from two to eight years in prison and a fine." Bucchi chose to run the risk because he knew that the BC would not be severe. He is the object of an administrative process that is still dragging on today in the corridors of the BC.

A few days after taking office, Fleury went to Brasilia to pay a courtesy visit to then President Collor. At a luncheon at the home of Ambassador Marcos Coimbra, secretary general of the Presidency—a luncheon also attended by Minister of Finance Marcilio Marques Moreira—Fleury seemed tense and asked if Banespa was okay. "Of course it is, isn't it, Marcilio?" Collor asked, playing coy. "Of course it is, Mr. President," the minister answered, pretending to be serious. And then the negotiations for rolling over the debt began. In February 1992 the loans had still not been paid, and again they were rolled over by the Central Bank. At the same time, and by common consent, a trap was set for Fleury's successor, whoever he might be. It was decided that Fleury would pay \$30 million per month until the end of his term. Beginning in January 1995, when Covas took office, the payments would be tripled.

But the BC took action last year. Its president at the time, Pedro Malan, who is currently minister of finance,

could have ordered intervention as early as September, when Banespa ran out of cash. Instead, Malan chose to help it so as not to interfere in the elections for Sao Paulo governor and president of the republic. He waited until December to do the right thing. "The Central Bank was an accessory," says former State Deputy Lucas Buzato of the PT [Workers Party], chairman of the CPI [congressional investigating committee] on Banespa that completed its work last week. The same complaint, expressed in different terms, is Governor Mario Covas' permanent slogan.

Money vanished—The high jinks at Banespa were very diversified. There is the airline debt totaling 185 million reais that was contracted by businessman Wagner Canhedo of the VASP [Sao Paulo Airline]. There is also the rural debt owed by the Cotia Agricultural Cooperative (CAC). The CAC, the bank's biggest debtor with an outstanding debt of 236 million reais, took out four loans in 1992. It took out the first loan and did not pay it back but still had enough credit to take out the second loan. The CAC borrowed 120 million reais from Banespa in that year alone. It paid back none of it. "The CAC was handled at the vice presidential level and above," recalls Mario Carlos Beni, former operations manager at Banespa. "I tried to talk to the people there, and the cooperative's managers did not even answer my phone calls," he explains.

In August 1992, less than a year before the CAC's bankruptcy, a Banespa branch in Amsterdam lent \$25 million to Bel-Agro, a CAC subsidiary in Holland. Of that amount, \$8 million vanished, and the money has not been heard of since. Bel-Agro, a firm that marketed the CAC's products in Europe, received a memo from the cooperative's headquarters in Sao Paulo ordering it to deposit \$8 million in several secret bank accounts in various countries. No one knows what technical criteria Banespa used to cover the transaction. The bank did not even have a file on Bel-Agro, and Bel-Agro's guarantor, the CAC itself, was already failing to make payments on its own loans.

Being government-owned, Banespa would never be immune from political loans. The problem is that the policy of a government-owned bank ought to be geared to social development through low-cost loans generating employment and well-being. Its problem has been the heavy hand of governors who see policy in a special way. Those are defects typical of state-owned enterprises. One employee, Claudio Abrahamson, was even hired by Banespa of Luxembourg to attract funds in Sao Paulo. His mission was to persuade Sao Paulo businessmen to invest in the bank and send the money to Luxembourg. It lasted a year. He had an office, a secretary, and a computer. He did not send a penny to Luxembourg. Instead, he spent his days playing games on the computer, for which he was paid \$10,000 per month. He was fired by the interventors at the start of this month and left with an indemnity of \$35,000.

Banespa even spent money sponsoring Jucabare, the cabaret opened by Juca Chaves on the site of what had been Sao Paulo's most famous nightclub and brothel, La Licorne. The bad example at the bank came from the top. Its first president in the Quercia administration was Otavio Ceccato, his campaign treasurer. Ceccato left the bank when it was discovered that his financial life was completely dishonorable. Carlos Augusto Meinberg, president of the bank until the intervention took place and a partner in the brokerage firm bearing his name, took over the job with his name included on Banespa's own list of deadbeats. He paid up and stayed on as president.

Operation "Cayman"—Even the Sao Paulo Development Forum, established by Fleury in 1991, served as a screen for operations disastrous to the bank. Once a month Fleury would meet with about 100 heavyweights in the Sao Paulo business world to discuss new projects. At the forum, businessman Paulo Macruz of Paraquimica—a friend of Frederico Coelho Neto ("Lilico"), Fleury's brother—suggested manufacturing crude penicillin G potassium in Sao Paulo. Fleury was delighted. In a single month—December 1991—the Macruz firm collected 19 million [currency unit not stated] from Banespa to buy a laboratory (Squibb) and the machinery from the Fontoura Wheyth plant. Not until the following year, when the loans had already been granted, did they ask him for guarantees. Fleury even sent a letter to Squibb telling it not to worry and guaranteeing that Banespa would release the funds. Once the deal was done, Macruz never produced a drop of penicillin in the new plant, and Wheyth's machinery became scrap. "I wrote the letter to Squibb because it was a strategic project," says Fleury. "I didn't know they had attached it to the financing application." But the project was not strategic at all. When consulted by Banespa, the Biology Department at the USP [University of Sao Paulo] said that the vaccine was important but that manufacturing it by the Squibb method was expensive and antiquated. Macruz was on Banespa's black list. His debt today totals 28 million reais, making him one of the bank's 10 largest debtors.

Banespa is a shambles, but things could be worse. Following a tough fight in November 1992, a number of bank directors managed to prevent the governor from putting through a transaction totaling \$250 million. Prohibited by law from taking money from Banespa, the governor wanted to carry out construction projects and pay construction firms for work done for Dersa [expansion not given] and the subway. But how could it be done? A group of financial engineers found a solution. Banespa's international arm would take \$250 million from its own till and deposit it in foreign banks. Then Banespa in Brazil would establish a company in the Cayman Islands, a tax haven in the Caribbean, and that company would borrow the \$250 million from the foreign banks. It would use that money to buy stocks and bonds or whatever there was from Dersa and the subway. The state-owned firms would then have a fat fund for

construction projects and construction firms. In the heat of the debate at Banespa, one director, former Deputy Nelson Nicolau, who opposed the operation, challenged those present. "If you carry out this operation, I will give VEJA a cover story." So Operation "Cayman" was shelved, and four months later, Fleury fired Nicolau from Banespa.

Each Governor's Legacy

The amount owed to Banespa by the Sao Paulo government and its state-owned firms swelled under Quercia and exploded in the Fleury administration, as shown here: under Governor Maluf (1979-1982): \$184 million; Governor Montoro (1983-1986): 717 million; Governor Quercia (1987-1990): \$1.4 billion; and Governor Fleury (1991-1994): \$10 billion.

Difficult To Collect From These People

In the first two months of this year, the Central Bank's interventors at Banespa called in 61 companies to negotiate their debts. The 20 largest—owing a total of nearly 1 billion reais—include bankrupt companies, important construction firms, and the old fighting VASP. Here is the list:

Cotia Agricultural Cooperative (236 million reais): Bankrupt and with no prospects, the country's largest cooperative owes nearly 1 billion reais to 83 banks. Banespa is its largest creditor.

VASP (185 million reais): In the country's first major privatization, Wagner Canhedo bought the VASP without spending anything. Banespa even provided the 6-million-real down payment.

Mendes Junior (100 million reais): Brazil's sixth-largest construction firm disavows the amount being demanded, saying that it owes half that much. As security, it promised to pay when it was paid by the government.

Tratex (71.2 million reais): This Minas Gerais construction company is also challenging the amount. It says that its debt can be paid with the 22 million owed to it by the government for road work.

Nardini Industries (50 million reais): This firm bought 21 million reais worth of equipment abroad. Banespa was the guarantor, honored the debt, and wants to be paid. The firm admits to owing only half the amount in question.

Constecca (50 million): The construction firm took out this loan to pay off an older one. The firm has different (smaller) figures and does not accept the amount being demanded.

Sao Jorge Group (40 million reais): This group bills \$100 million per year. Its owner, Jorge Chammas, is a great friend of Fleury's. Even his son's helicopter was financed by Banespa.

Gurgel Motors (31.1 million reais): Joao Gurgel borrowed money from Banespa only because he was hoping for a partnership with the government for manufacturing his cars. He is still hoping today. So is the bank.

Paraquimica (25 million reais): It received money for a penicillin plant, but did not provide security until a year after getting its hands on the money.

Eletronorte [Northern Brazilian Electric Power Plants, Inc.] (25 million reais): This company, owned by the Federal Government, turned to Banespa for help in buying equipment for hydroelectric plants in the Amazon Region and rolled the debt over last week.

Cevokol (24 million reais): This company, a petrochemical firm belonging to businesswoman Monica Rosenberg, tried to borrow 120 million [currency unit not stated] in Switzerland before going bankrupt.

Matarazzo United Industries (23.4 million reais): In 1986, this firm wanted to make investments, and it renegotiated its debt three years later. It swears that it owes \$9 million less.

Rio Grande Valley Agricultural Company (21.5 million reais): Businessman Antonio Abdalla signed over a worthless piece of land as security for a gigantic loan.

CGK Engineering (20 million reais): This Sao Paulo construction firm was hired to build a prison in Belem, Para and stopped at the wall. It has filed for protection from its creditors and does not want to pay Banespa.

Consid (19.7 million reais): The former leader in the market for precast concrete, it admits to a debt of 8 million reais that it contracted two years ago. It has filed for protection from its creditors and wants to pay in the form of real estate.

Itaipu (16 million reais): Its debt was contracted in 1988, during the Quercia administration. The government-owned firm bought equipment for the hydroelectric plant and is now promising to bring its payments up to date.

Pacaembu Oil Industry (14.2 million reais): Although it has filed for protection from its creditors, this is one of the country's largest soybean oil refiners. It used the money to engage in foreign trade and only admits to owing 8 million reais.

Umberto I Hospital Foundation (14 million reais): This hospital, operated by the Italian colony, was closed last year. The colony tried to sell it to a state pension fund, but the courts would not allow it.

Costa Pinto Plant (14 million reais): A group of sugar and alcohol refineries in Sao Paulo's interior, this firm says it will pay in the near future. The money was used to buy machinery.

CMTC [expansion not given] (12.6 million reais): Mayor Mario Covas ordered the CMTC to borrow money to

buy buses. Banespa backed the loan, the mayor did not pay it back, and now Governor Covas is stuck with the bill.

And the Money Disappeared

Kazuo Katayama of the Cotia Agricultural Cooperative borrowed repeatedly from Banespa while it was headed by Antonio Sochaczewski. Somewhere along the way, \$8 million disappeared into various secret bank accounts abroad.

Calming Effect

The government did not have the money to pay its debt to the construction firms, so it used Banespa to grant loans. Until the intervention occurred, that kept Murillo Mendes of Mendes Junior and Elos Noli of Tratex calm.

Investment in Trash

The owner of Paraquimica, Paulo Macruz, had Fleury's support in purchasing out-of-date equipment for the production of penicillin. The money was released, and the equipment was thrown into the trash bin in Sao Paulo.

Support for Cabaret

Banespa even spent money to advertise humorist Juca Chaves' cabaret known as Jucabare. In exchange, the income from the show was to be paid into the Social Solidarity Fund, presided over by Sao Paulo's then first lady, Ika Fleury. Wasted effort. The bank invested \$50,000, ticket sales amounted to only \$9,000, and Banespa lost \$41,000.

United We Will Win

Jorge Chammas, owner of the Sao Jorge Mill, and Murillo Macedo, former president of Banespa, are the best of friends. After leaving the bank, Macedo worked out an illegal plan for rolling over his friend's debt. It did not work, the debt soared, and now Chammas is challenging the amount.

Picture of Hole

Who owes what to Banespa?

The Sao Paulo state government and its state-owned firms owe Banespa \$10 billion. A good share of that money was supposed to be used to pay construction companies and other suppliers.

The state's debt to Banespa in the form of securities totals \$8 billion. When Sao Paulo defaulted, the market demanded increasingly high interest rates to cover the risk. The rates soared, and Banespa paid the bill.

The private sector owes the bank \$3 billion. Out of every two reais lent, one will never return. That default rate is 10 times higher than any private bank would allow.

Chile**Antidrug Law Lifts Bank Secrecy, Combats Money Laundering**

PY2104181095 Santiago Television Nacional de Chile
Imagen Internacional in Spanish 1100 GMT 21 Apr 95

[FBIS Translated Text] Congress has approved the new antidrug law which seeks to combat money laundering. This law authorizes officials to request the lifting of bank secrecy when needed.

The Chamber of Deputies was the final place where this draft bill was debated. The new law empowers appellate court judges to authorize the National Defense Council to investigate bank accounts. For proceedings to be conducted in a secret and expeditious fashion, appellate court judges may investigate bank accounts without any need for previous authorizations, or to contact third parties.

Legislators stated that the implementation of this new law, which was unanimously approved, should not concern bank institutions.

[Begin recording] [Independent Democratic Union, UDI, President Andres Chadwick] On the contrary, I believe banks should feel more confident because we now have a very effective mechanism to allow them to verify if one of their clients is making illegal transactions. I believe one of the major concerns of all banks is to see that their clients comply with the laws.

[Deputy Jaime Estevez, president of the Chamber of Deputies] We believe there are money laundering transactions being conducted in the country. We are compelled to take precautions and implement drastic measures both at the legal and financial institutional level which will allow banks to report to the authorities whenever they observe any suspicious bank account transactions. [end recording]

Objections to Proposed Highway to Laguna del Desierto Noted

PY2204031995 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2046 GMT 21 Apr 95

[FBIS Translated Text] Santiago, 21 Apr (AFP-NA)—Chilean Foreign Minister Jose Miguel Insulza reported on Friday, 21 April, that Chile has expressed its disagreement with the construction of a highway in Argentina that will reportedly lead to the border zone of Laguna del Desierto, over which the two countries claim sovereignty rights.

The Chilean position has been conveyed through an official note the Foreign Ministry submitted to the arbitration court of five Latin American jurists who prepared a final ruling on the conflict.

In the first ruling, issued in October 1994, the arbiters acknowledged Argentine sovereignty over the 532 square

kilometers of territory under dispute, located at the southernmost point of the border between the two nations.

But in February 1995 Chile submitted an appeal that must be resolved by the arbitration court, which is chaired by Colombian jurist Rafael Nieto.

Colombia**Samper Reacts to U.S. Call for Sanctions Over Banana Accord**

PA2304165195 Madrid EFE in Spanish 1424 GMT
21 Apr 95

[FBIS Translated Excerpt] Santa Fe de Bogota, 21 Apr (EFE)—Colombian President Ernesto Samper warned the United States today that banana growers could switch to illegal crops if it insists on imposing trade sanctions on his country for having signed a banana agreement with the European Union (EU).

"They cannot ask us to eradicate illegal crops without giving us the opportunity to sell our legitimate products, which if not grown in certain areas would certainly lead inhabitants to grow illegal crops," Samper pointed out.

In this way, the Colombian president reacted to a call to impose sanctions on Colombia and Costa Rica for having signed a basic agreement with the EU, as well as to a statement U.S. President Bill Clinton made to several banana multinationals that complained about the agreement signed between four Latin American countries and the EU. [passage omitted]

Ambassador: U.S. Media Stress Negative Views

PA2304195495 Santa Fe de Bogota Inravisión Television
Canal A Network in Spanish 1800 GMT 23 Apr 95

[From the "Cripton Newscast"]

[FBIS Translated Text] Efforts by the Prosecutor General's Office against the Cali Cartel have practically gone unnoticed by the U.S. media. Ambassador Carlos Lleras de la Fuente stated a few minutes ago that only negative news about Colombia is worthy of the attention of the U.S. media.

[Begin recording] [Lleras de la Fuente] In fact, the newspapers, at least THE WASHINGTON POST and THE NEW YORK TIMES, have not reported the incidents taking place in Colombia over the past few days.

[Unidentified reporter] What then is your assessment of a situation such as the one we are facing, one in which whenever measures are adopted here, there is never any mention in the United States?

[Lleras de la Fuente] Well, I personally believe that what has been taking place recently is primarily a movement to discredit the country—a movement encouraged, to a large extent, by Colombian interests [as heard].

What this movement has done is ensure that whatever is published about Colombia corresponds basically to negative views of the country. All aspects of the campaign related to the struggle against corruption, the crop eradication program, and even the deplorable news—news such as our police officers being murdered, helicopters being shot down, and so on—are hardly ever mentioned.

In other words, specific examples that show the strength of Colombia's commitment to the struggle against drug trafficking are never mentioned. [end recording]

Warrants Issued for People With Cali Cartel Links

PA2404044695 Santa Fe de Bogota Inravisión Television Canal A Network in Spanish 1800 GMT 23 Apr 95

[Report by Jennifer Samudio, Paco Morales, and Ivan Dario Parra from the "Cripton Newscast"]

[FBIS Translated Text] Authorized sources disclosed today a list of persons for whom the Prosecutor General's Office has issued arrest warrants. The arrests may take place in the next few hours.

The following persons are being sought by the authorities: Alfredo Perlaza, Luis Fernando Ortega, Eduardo Gutierrez, Guillermo A. Pallomari, Jorge Antonio Ortiz, Jesus Armando Piedrahita, Jaime Antonio Alvarez, Omar Perez Garcia, Juan Bautista Pilimue, Julian Morcillo, Luis Fernando Morcillo, Tulio Enrique Morcillo, and Alberto Giraldo I.

A total of 34 persons with possible links to the Cali Cartel but for whom arrest warrants have not been issued will begin to appear tomorrow before the appropriate judicial institutions.

Comptroller General David Turbay Turbay will appear before the delegate prosecutor at the Supreme Court so authorities can determine if a criminal investigation against him is warranted. The Regional Prosecutor's Office in Santa Fe de Bogota will also question former Senator Eduardo Meza Sarmiento and Eduardo Gutierrez Ardila, who are under arrest in Santa Fe de Bogota and Cali, respectively.

Those who were summoned to the Supreme Court between Tuesday and Thursday are: Congressmen Alvaro Benedetti, Jaime Lara, Jose Guerra de la Espriella, Alberto Santofimio Botero, Armando Holguin Sarría, Ana (Detectal), Rodrigo Garavito, (Jolima Espinoza), and Maria Izquierdo.

Meanwhile, several private individuals summoned to the Prosecutor's Office in Santa Fe de Bogota include: Mauricio Guzman, actress Margarita Rosa de Francisco, and Santiago Medina.

The Prosecutor General's Office revealed that the persons arrested in this investigation will be turned over to the Modelo and Buen Pastor Penitentiaries in the capital.

Most of information which led the Prosecutor's Office to investigate dozens of citizens for possible links to members of the Cali Cartel were taken from the so-called Reagan book, which was confiscated during a raids conducted by the authorities in Cali, the capital of Valle del Cauca Department.

During the Search Bloc's raid of the Siglo 21 Building in Cali, the authorities found in the apartment of Guillermo Pallomari, alias Reagan, a series of documents, including an agenda, which contained the names of several politicians and candidates to be appointed to public posts.

This agenda registered shipments of T-shirts for the campaigns of various politicians, including certain congressmen currently in office. Likewise, the agenda noted payments made by the Cali Cartel to companies and individuals, as well as invitations extended to prominent individuals. This information helped the Prosecutor General's Office include nearly 100 persons in the illegal enrichment charges, including former Senator Eduardo Mestre, who is currently under arrest at the Modelo Prison, and journalist Alberto Giraldo.

According to police intelligence documents, Pallomari informed Eduardo Mogollon Rueda of all of these transactions. According to the authorities, these two persons were part of the Cali Cartel's financial triangle.

Likewise, the Reagan agenda included the purchase of several buildings in El Banco Municipality in Magdalena Department, as well as in Casanare Department, which would serve as front companies for the Cali Cartel.

Former Senator Linked to Narcocassettes Arrested

PA2204191195 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 21 Apr 95

[Report by station announcer Dario Arizmendi and reporter Guillermo Franco Fonseca from "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] [Arizmendi] As a result of the so-called File No. 8,000, the Prosecutor General's Office in the last few hours has apprehended Eduardo Mestre, a former member of the Senate and former Colombian ambassador to Geneva. Mr. Mestre has spent the past few hours at the National Model Penitentiary. Mestre was arrested at his residence early this morning. Here is Guillermo Franco Fonseca with a report.

[Franco] Good morning, Dario. In effect, Colonel Norberto Peleaz Restrepo, director of the Penitentiary and Prison Institute, has just entered the penitentiary to personally review the arrest and to receive the official communique regarding the arrest of former Senator Eduardo Mestre.

Mestre arrived at 0035 in the custody of agents from the Prosecutor General's Office and the Judicial Technical Police. Col. Restrepo reported Mestre was immediately

taken to the admissions office where he was photographed and fingerprinted. Mestre is currently in the penitentiary director's office where he was interviewed by Major Ramirez Vasquez, director of the Model Penitentiary, and Deputy Director Mendez.

Meanwhile, it has been disclosed that within the next few hours Mestre will be transferred to Yard No. 5 of the penitentiary, which, we can say, is the best yard in the Model Penitentiary. Therefore, it has been confirmed that at 0035 former Senator Eduardo Mestre was imprisoned at the National Model Penitentiary west of the capital.

Meanwhile, after Col. Norberto Restrepo has reviewed the arrest and after the communique has been received by the director of the penitentiary, Restrepo will report to the justice minister. This is all of the information we have right now from the Model Penitentiary.

[Arizmendi] Thank you, Guillermo. Dr. Eduardo Mestre Sarmiento has been linked to the so-called narcocassettes case. Also, checks from an individual linked to the Cali Cartel were found in some of his bank accounts. The total amount has not been disclosed by the Prosecutor General's Office.

Eduardo Mestre is charged with illegal enrichment. Newspaper reporter Alberto Giraldo, also involved in the narcocassettes scandal, is currently being sought for the same crime. In addition, arrest warrants have been issued for industrialist Julian Morcillo, manager of Esposal, who is accused of illegally contributing thousands upon thousands to various political campaigns in recent elections. Arrest warrants have also been issued for Gilberto and Miguel Rodriguez Orejuela for alleged illegal enrichment. These five arrest warrants have been confirmed by Radio Caracol.

Liberal Party Suspends Lawmakers Under Investigation

PA2304145795 Santa Fe de Bogota Inravisión Television Canal A Network in Spanish 0130 GMT 23 Apr 95

[From the "AM/PM" newscast]

[FBIS Translated Text] The nine legislators who will be investigated by the courts have been temporarily suspended from the Liberal Party:

[Begin recording of Alvaro Ceron, member of the Liberal Party's Ethics Council; in progress] ...temporarily suspending the following from the Liberal Party: Alvaro Benedetti, Jaime Lara, Jose Guerra de la Espriella, Alberto Santofimio Botero, Armando Holguin Sarria, Ana de Pechalt, Rodrigo Garavito, Yolima Espinosa, and Maria Florangela Izquierdo. [end recording]

This is a quote, temporary, unquote, suspension while justice officials determine the legal situation of these

individuals. Alvaro Benedetti and Yolima Espinosa, who has already resigned, will be removed from the party leadership.

[Begin Benedetti recording] This should be a decision of a Liberal Party convention or the president of the Republic, who, at least in our case, appointed us as alternate party directors. [end recording]

The decision on whether to resign from Congress is a personal one. For the time being, however, these lawmakers will not be able to say they are Liberal Party members. The Liberal Party Ethics Council will open a preliminary investigation of Eduardo Mestre Sarmiento and David Turbay. In the end, there is amazement, anger, and questions.

Political Impact of Recent Events Analyzed

95CA0188A Santa Fe de Bogota SEMANA in Spanish 11 Apr 95 pp 30-35

[Analysis by Maria Isabel Rueda, SEMANA columnist: "Week of Passion"—first paragraph is SEMANA introduction]

[FBIS Translated Text] Who won and who lost at the end of the most hectic and difficult week to date in Ernesto Samper's government.

So many things happened in the week that has just ended, some on top of others, with so many political consequences for the nation that it seemed that instead of seven days, it was seven months. Seven long months in which the forces of the government and of the opposition were tested, the chances of a presidential candidate who had nothing to do with this conflict were strengthened, those of another presidential hopeful who was only indirectly involved were weakened, and a newspaper with little circulation overnight acquired a political personality.

The following analysis may be useful for understanding the good and bad consequences which last week's events may have for Colombia, and be helpful in predicting what may happen politically in Colombia in the near future.

Rodrigo Marin Bernal

He won. The strategic value of having inspired ministerial solidarity around the abused figure of the president changed him from his position as a pariah in his own party into the leader of the conservatives in the government. Remember, Marin was always a Samper supporter, even before that was in fashion in conservatism. He challenged his political boss, Alvaro Gomez, and ignored his orders by supporting Samper, against the immense political potential of the presidential candidate with the most future in the last eight years: Andres Pastrana.

That action, which won him a very important place in the heart of the new government, left him in an uncomfortable position among his fellow party members, for whom Marin's independence was considered either treason by some, or rebellion in the eyes of last drastic observers. An outsider, in any event, in search of a new identification. Strangely, he found it by taking the initiative in this gesture of support for the president, for which he used his conservative identity and through which he managed to coalesce the solidarity of all the conservatives in the government, including even the Pastrana supporters, led by a minister as closely identified with Pastrana as Transportation Minister Juan Gomez Martinez.

Council of Ministers

It lost. This seems strange since Marin, the author of the initiative, won. But the Council of Ministers lost as a political body, for it stood up against a publication without circulation, a reporter without readers, and a caricature without humor. In short, it lowered itself in this fight, which is the best way to increase a rival's stature. Moreover, the top body of the Executive branch is not there to express solidarity with the president, for it is understood that the ministers, by their nature, support the government to which they belong. The opposite would be absurd. But on the other hand, it does not make much of an impact for the group of ministers to state their solidarity with the president, as that is taken for granted, and if it is taken for granted, it lacks effect to put it in writing. Ironically, the impact produced by the ministers' statement was caused less by the implicit force of their solidarity than by the unusual fact that they joined together to do battle against a family.

Juan Carlos Pastrana

He won. Overnight he got the best of deals: from running a newspaper with no circulation to becoming a contender with the government, without first having to increase his readership. Normally, getting a government to be concerned about a journalist requires years of effort, a circulation of his journal big enough to ensure considerable influence over public opinion, and a degree of aggression capable of causing a government's stability to begin to reel. None of these conditions was present. But Juan Carlos Pastrana, a journalist who until now was described affectionately as "a little crazy" by many of his colleagues, and viewed by the rest with a feeling of pious admiration, has become the most important opposition journalist of the moment. Someone who will have to be read, at least for the next few months, to be sure of not missing anything.

Misael Pastrana

He lost. Instead of growing in his position as the leader of the opposition, staying out of the limelight where his son Andres chose to be in this conflict, the arrogance which guides all his acts lined him up at the side of Juan Carlos,

where the importance of his arguments as leader of the opposition were reduced to the absurdity of a photomontage in bad taste that produces more disgust than opinion. From an opponent of the government he became the slanderer of the government, and rather than the father of Andres Pastrana, he became the father of Juan Carlos.

But then came the photograph of former President Pastrana at the side of Ivan Urdinola, which offers a much more profound lesson that I want to leave for my readers to think about. It is possible to be innocent, as he is, this former president who was photographed at the side of a drug trafficker. And it is also possible that the other man is also innocent, who as a presidential candidate had hot money infiltrated into his campaign, without him necessarily having had to know about it.

Andres Pastrana

He lost. It is strange that he lost, as he was out of the country at the time, and he took the honorable action of criticizing the photomontage a few hours after its publication. But Andres also lost the election, although the polls predicted him to be the winner, for the same reason that he emerged as a loser in this incident: his father and his brother destroyed him. His father, the "brains" behind his campaign, never managed to imitate his behavior closely enough so as not to damage him. And his brother, his press director, engaged in all sorts of irresponsible acrobatics to express a support that asphyxiated Andres, rather than allowing him to breathe.

Unfortunately, the controversy focused on the Pastrana family as a package, and Andres was unable to extricate himself from the actions attributable to the rest of his family. His prestige continues to decline, although his decency continues to rise.

Noemi Sanin

She won. For there is only winner when Andres Pastrana is weakened: Colombia's ambassador to Great Britain. The controversy, which lined up the conservatives at the side of the president, at the same time distanced them from the Pastranas, and consequently, from Andres. A conservatism that is divided about one name has a good chance of uniting around another: Noemi. Without having done anything, said anything, or attempted anything, she has been reaping strategic points useful for her future ambitions.

Horacio Serpa

He lost. His presence in the cabinet has value as a conciliatory, peacemaking man who is able to talk things out, but he has marred that image in his awkward verbal confrontations with former President Pastrana. Serpa does not do well in a fight. He does not use the right words. He does not sense what should be said, or when it should be said. He detracts from the majesty of his position, and places himself in positions that distort

his character. Pastrana knows this, and that is why he does not miss any chance to sling some of his barbs at Serpa whenever he climbs into the ring with the government. With all this, Serpa is among the first group of ministers that the administration should replace in the next cabinet crisis. But if anything more awkward can happen to a minister than creating a need to replace him, it is that he can not be replaced right now. It would be good if Samper could distract the country's attention at this time with a cabinet crisis, which would also bring fresh air into the government. But he will have to wait until June, when former President Pastrana can no longer collect his trophy.

Jesse Helms

He lost. Not that it matters much to him, but he did lose. When SEMANA published the testimony of his key witness, Maria, his ongoing threat to take her before the U.S. Congress to implicate Samper lost force. Until now, he had been able to use Maria to blackmail the Colombian government, because the country, and the government itself, did not know the incriminating potential of the witness. But this testimony, read in SEMANA, seems like a sort of Disneyland fantasy, and leaves the Colombians with the feeling after reading it that they now know the worst that could be said against the president, and whatever comes along in the future will be a matter of smooth sailing. Against his will, for it has been learned that Maria spoke out without permission, Helms has shown his best card, and instead of being an ace, it turned out to be only a nine of spades.

Congress

It lost. But it lost while remaining absent from the controversy, and it lost precisely for being absent from it. It has been months since the Colombian Congress has debated a single one of the important issues which are changing the course of the nation. For example the government-opposition debate should have been discussed in Congress. It should have discussed President Samper's position, the possibility that the Pastrana family has been discrediting the nation abroad, and how to offset the U.S. government's conditional certification for Colombia. But as they say, "not a word." It seems as if it were the congress of some other country, a country where nothing is happening.

The Media

They won. It was made very clear that in Colombia there is freedom of the press to publish anything, whether or not it may help or hurt the current administration. That freedom of the press is a protection for the Colombian people worth its weight in gold, and it is unwilling to tolerate any threat, no matter how small, like a policeman "acting on his own initiative," who went to a newspaper to conduct inquiries. That policeman from the Communications Office of the Department of Security of the Presidency was removed from his position.

Even though it was proved that the order to go to SEMANA was not given by the president or by any of his immediate colleagues, at the time the impression was given that such was the case. As a consequence, that Department of Security, which had no reason to exist, except for spying from time to time, was also closed.

So the letter that ex-President Pastrana sent to the IAPA [Inter-American Press Association] is ridiculous. For while last week we were upset because his son, Juan Carlos, pointed his finger at the president of the republic through a photomontage, that is because in Colombia there not only exists absolute freedom of the press, but also the right to abuse that freedom. Now. If what ex-President Pastrana is trying to do through his letter to the IAPA is to have the right to discuss the way in which he and his son exercise freedom of the press suppressed, then he should send his letters to some other address, to the chief executive of some absolutist regime, where freedom only goes in one direction.

The Drug Traffic

It lost. It lost, for what has been embroiling us in such a heated controversy are two of the most powerful weapons drug traffickers possess: their power to infiltrate money into politics, and their power to infiltrate themselves into a nation's social fabric.

On the first of those two powers, in the future politicians will be much more careful to watch their campaign finances so that drug trafficking money will not be able to enter so easily. The torture that President Samper has suffered since he was elected, even before he took office, because of the implications of some narcocassettes, which at no time meant that he had to have known about the dealings of El Bandi, Santi, K, and all the other stars of that constellation, has taught a very important lesson: anyone who is not careful about whose money he is working with, or whom he associates with, will suffer stigmatization.

As for the second of those powers, infiltration into a nation's social life, drug traffickers will find it much more difficult to get themselves photographed with major national figures, so they can afterwards use these photos to open doors for themselves, with proof in hand of their great social and political connections. Why else would Urdinola have thought it helpful to have his picture taken in such a familiar way with his admired fellow party member?

The drug traffickers will also have to work harder to infiltrate society and politics by hiring public relations people like journalist Alberto Giraldo, lending their help and their houses to arrange for political support, as General Maza Marquez did for Samper. Or simply to invite former presidents to lunch, like Misael Pastrana, who, when he was in the journalist's house, acted as if he were one of the few Colombians who did not know that Alberto Giraldo was working for the Cali cartel, or as if

he were one of the few Colombians who, knowing that, considered it of no importance.

The Nation

It both lost and won. It won because it never loses when in a country issues are discussed frankly and openly, issues which, no matter how unpleasant they may be, influence national courses, like the drug traffic and politics, or abuses of freedom of the press. But it also lost, because it is not good for a country when the government and the opposition waste time that is so valuable in a country with so many problems, not in discussing the best way to solve these problems, but instead with one side seeing how it can bring down the government, and the other side seeing what it can do to avoid being brought down.

The Opposition

It lost, for reasons partially described above. A healthy opposition exists to construct and not to destroy, like the present opposition. Unfortunately, what the government did with the Council of Ministers' statement was to corner the opposition represented by the Pastrana family in such a way that it leaves the opposition little option but to exercise their opposition for the sole purpose of toppling the government. And it is not good for that to be the only way left for those who dissent, for the result will always be bitter.

The Santo Domingo Group

It won. It had nothing to do with the controversy. But the Group always wins.

Samper Lost... But He Also Won

Bad

It does not speak well for a president that his cabinet should have to come out in his support. That implies a strong degree of weakness requiring a demonstration of government unity to salvage stability.

It has been confirmed that President Samper did not request the statement from the Council of Ministers, and that he simply appreciated it. But he did not stop it. He allowed it to progress, convinced that it served his interests, because he needed it.

It seems likely that things would have been allowed to go very far. An earlier statement on the part of the president, with a very firm position on the rumors about hot money in his campaign, without a need to counter LA PRENSA's aggression, would have brought the smear campaign under control. This is teaching the government a lesson that it barely seems to be learning: there is no need to fear things that are said, no matter what their dimension, if one is innocent.

A wave of nerves has been detected on all levels of the government. This may have been influenced, either as a

coincidence or as a consequence, by the problem of U.S. certification, which came like a dash of cold water in the climate that had already been heating up the country. As Enrique Santos said in his column, this has practically prevented the government from governing during its first months in office. President Samper will have to get himself together to move, hopefully the week after Easter, from the defensive to the offensive, because otherwise inflation, the guerrillas, corruption, and poverty would find a chief executive shut up inside a vulnerable fortress.

Good

If despite everything that was being rumored, Samper did not speak out directly [earlier], which certainly worsened the uneasy aspect of the situation, that was because it is impossible for a president to speak out in response to gossip and rumors that lack concrete evidence or official statements that would require an answer.

I imagine what those long days must have been like for the president, watching the garbage piling up around him.

Until LA PRENSA made the mistake of giving the president the vehicle he needed to break his silence, based on a photomontage that put in Samper's hands an example of slander written against him.

Samper's press conference, whether good or bad, could not have taken place without the pretext that the opposition journal gave to the president. I predict that there will not be so many voices calling for explanations, or so much enthusiasm for interweaving gossip and rumors, or so much growing unpopularity in public opinion. The president has finally spoken, and if things go as they should, in the next few months Ernesto Samper will finally be able to devote himself to governing.

Ecuador

Navy Demobilizes 500 Reservists Along Peruvian Border

PA2304170195 Quito Voz de los Andes in Spanish 2300 GMT 21 Apr 95

[From "The Voz Andes Newscast"]

[FBIS Translated Text] The Ecuadoran Navy is demobilizing 500 reservists who were called up by the Armed Forces during the non-declared war between Ecuador and Peru that lasted from 26 January to 28 February. The return of the reservists, who were stationed in various areas along the country's southern border, is to comply with the Itamaraty Peace Agreement, which was signed by Ecuador and Peru on 17 February and ratified by the Itamaraty Declaration on 1 March.

Ecuadoran and Peruvian troops are currently complying with the fourth of six phases of the separation of troops

in the disputed area under the surveillance of an observers mission from the Rio de Janeiro Protocol guarantor nations. The demobilization of Ecuadoran Navy reservists [words indistinct] relief troops of this country stationed near the conflict area at the border.

Government Reduces Petroleum Exports to U.S.

PA2104235895 Quito Voz de los Andes in Spanish 1700 GMT 21 Apr 95

[From "The Voz Andes Newscast"]

[FBIS Translated Text] The Guayaquil newspaper EL UNIVERSO has reported that Ecuador has reduced its petroleum exports to the United States and will gradually halt them entirely due to the number of obstacles and pressures the United States is imposing on those sales.

As a result of this situation, Petroecuador [Ecuadoran State Petroleum Enterprise] is working to expand its sales to the Far East and South America. Manuel Vivanco, Petroecuador international marketing manager, has said: We have reduced our dependence on the U.S. market, which has stiffened its policies in compliance with environmental protection measures and seasonal requirements that make marketing difficult during periods of low consumption, such as spring.

At this time, Ecuador is exporting approximately 246,000 barrels of crude per day at a price of \$16 a barrel for the Gulf of Mexico and the Pacific coast. The Pacific coast and the gulf have been traditional U.S. markets for Ecuador, where we have obtained the best crude prices. Vivanco has said an average price of \$15 a barrel will probably be maintained until the end of the year.

Crime Tops List of Public Concerns

95P20723

[FBIS Media Note] Crime has replaced deteriorating living standards and unemployment as the public's chief concern, reveals a 25 March Informe Confidencial opinion poll published in Quito HOY of 2 April.

An overwhelming majority of respondents—83 percent from Quito and 75 percent from Guayaquil—believe that crime has increased nationwide compared to 1994. Most Quito respondents—69 percent—said that they have observed an upsurge of crime in their city. Although 48 percent of Guayaquil respondents have observed the same phenomenon in their city, 50 percent of them believe that crime was being more effectively controlled.

The pollsters single out the transfer of police forces to the Peruvian border as the immediate cause "of the upswing in criminal activity." However, over 50 percent of Guayaquil and Quito residents polled said that increasing poverty is mainly responsible for rising crime followed by unemployment, drugs, lack of education, and ineffective police control. Only 35-45 percent of

respondents from both cities believe that crime could be controlled by better policing.

In a 3 April editorial, HOY states that poverty and unemployment are not solely to blame for people's resorting to crime. Deteriorating social values at all levels of society, corruption, the greed of emerging organized criminal groups, and the growing acceptance that honest work is not a good way to earn money contribute to the rising "crime wave." The editorial asserts that the situation is exacerbated by the scarcity of police resources accompanied by the lack of a trustworthy judicial system.

Peru

Fujimori Discards Occupying of Ecuadoran Territory

PY2204014495 Madrid EFE in Spanish 2130 GMT 21 Apr 95

[FBIS Translated Text] Lima, 21 Apr (EFE)—Peruvian President Alberto Fujimori said today that Peru will not occupy Ecuadoran territory in the event new armed clashes occur in the border zone where an undeclared war took place recently.

President Fujimori told the Lima daily EL MUNDO that under such a critical situation, his government would only act in a "dissuasive manner," without taking measures that could be internationally interpreted as territorial expansion.

This is how Fujimori reacted to criticisms made by the opposition and some retired military officers who said that if the fighting is renewed, Peru must take over territory as a token and even attack Quito.

According to well-informed sources, the 32-day armed conflict resulted in approximately 1,000 casualties on both sides, including dead, wounded, and missing.

Fujimori discarded the idea of purchasing new military aircraft to replace the five lost by the Peruvian Air Force during the fighting because he believes Peru has "sufficient" planes.

Fujimori said Peruvian defense spending is aimed at "keeping our Armed Forces operational, and not at buying more weapons."

Fujimori said: "We will not spend money on new Mirages or Sukhoi."

Fujimori Replies to Duran-Ballen's Message

PY2104211095 Lima Global de Television Network in Spanish 0130 GMT 21 Apr 95

[FBIS Translated Text] On 21 April, President Alberto Fujimori sent a letter to his Ecuadoran counterpart,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Sixto Duran-Ballen, thanking him for his congratulations and best wishes contained in the letter Duran-Ballen sent him on 12 April for his electoral victory.

President Fujimori says in his letter that a just and definitive solution to the differences that separate our two countries can only be achieved within the framework of the law. The letter adds: My government will make every effort to fulfill the aspiration of peace and development of our people which will be strengthened through full respect for the Rio de Janeiro Protocol.

Uruguay

Officials Discuss U.S. State Department Report
PY2104121795 Montevideo *EL OBSERVADOR ECONOMICO* in Spanish 12 Apr 95 p 3

[FBIS Translated Text] Interior Minister Didier Opertti and his predecessor, Angel Maria Gianola, yesterday expressed conflicting opinions regarding the truthfulness of a U.S. State Department report denouncing ill-treatment and police abuse in Uruguayan jails during 1994.

Gianola said the report was groundless and flatly rejected it. Opertti said the report deserved "most careful attention, because even though it refers to a period prior to our term, it speaks about our country, and we are interested in what happened before our term as well as what happens during it."

Gianola's successor said: "First we must find out how the report was processed, on what sources it is based, and what are the reasons leading to such conclusions."

Opertti talked to Radio CX24 Nuevo Tiempo, but refused to make "a detailed commentary" on the U.S. State Department report until he knew more about "the way the report was compiled."

Opertti said that since becoming interior minister he has not received any claim "of the kind described in the report. Whenever we received complains about police behavior we take the necessary steps to establish levels of responsibilities."

Opertti recalled that Uruguay "has a juridical system that enables citizens to report to the police or to the courts in situations like the ones described in the report. We have not received any formal complaints of incidents like those mentioned in the report since we took over at the Interior Ministry."

Gianola told CX14 El Espectador: "I am surprised by the report's partiality and lack of good information," adding that the report "speaks about things of which I have no knowledge. During my administration we were involved in the issue of jails in Uruguay."

Gianola said: "I have read a document published by Serpaj [reference unknown]. This organization has nothing to do with the government but harshly criticizes

the previous government and those installed before it. This organization has not reported the nonsenses that are in the State Department report."

"I totally disagree with the report. Some comments in it deserve a special mention; like the comment on discrimination against black minorities in Uruguay," Gianola said, adding that he did not know "what do they mean."

Gianola said: "The black minority is well integrated in Uruguay and the criminality rate among black people is not large. I have almost never seen black inmates, although I found some by chance."

Gianola insisted: "I do not know what the report is based on, or where the information came from. There are remarks in it I consider untrue; for instance, the comment on violence against women."

The report in question says that in Uruguay "the main human rights problem continues to be police abuse and the ill-treatment of prisoners." The report says there is discrimination against women and black minorities.

Venezuela

Government Measures Seek Price Control, Job Stability

PA2104154695 Caracas *Venezolana de Television Network* in Spanish 0200 GMT 21 Apr 95

[From "The News" newscast]

[FBIS Translated Text] The executive branch is certainly not going to reverse recently adopted measures to rescue workers buying power and salary. It is prepared to take any steps necessary to enforce those measures.

Labor Minister Juan Nepomuceno Garrido warned that the government may have to enforce price control. Garrido said the government will prevent prices from rising sharply, regardless of whether the merchants want them to.

The executive branch responded to Consecomercio's [National Council of Commerce and Services] request that the subsidy or bonus for workers be abolished. Garrido said that the merchants' request is unfounded.

[Begin Garrido recording] If producers and merchants fail to control prices, the government will make them do so, regardless of whether they want to. I have guaranteed the same thing with regard to job stability: Dismissals prompted by the issuance of subsidies will be rendered ineffective. [end recording]

If the enforcement of the bonus or subsidy causes problems or illegally affects workers, the government will use the ace it has up its sleeve: job permanency.

Colombian Attorney General on Border Issues

PA2404023595 Caracas *Venevision Television Network* in Spanish 1030 GMT 21 Apr 95

[Interview with Attorney General Orlando Vasquez Velasquez by Carlos Fernandes at the station's studio in Caracas; from the "24 Hours" program—live]

[FBIS Translated Text] [Fernandes] As we had announced, we have with us Colombian Attorney General Orlando Vasquez Velasquez. He is visiting Venezuela in connection with the events that have taken place over the past few weeks, particularly in terms of the rather difficult state of relations between Colombia and Venezuela in the aftermath of the events in the Perija Mountain Range and the deportation of some people who, according to reports, were mistreated or whose human rights were violated. This situation has generated, of course, a unique controversy in Colombia and Venezuela. We thank Orlando Vasquez for being with us today on "24 Hours." Let's get to the heart of the matter. Good morning.

[Vasquez] Good morning, Carlos. I am very grateful to you for giving me my first opportunity to appear before television cameras in this brother country of Venezuela and, most importantly, on a program as important as this one with such a wide audience.

[Fernandes] Thank you very much. Now, let's get down to those details. The report of the Cararabo incident led to tensions. Then came the incident in the Perija Mountain Range, where people allegedly involved in drug trafficking were deported. They allegedly had drug crops. So many things have been said for so long, for so many days and weeks! What official information do you have?

[Vasquez] You phrase this almost as a question. First, the events show that speculation can be stronger than the facts, than the truth of the matter. The purpose of my visit to Caracas is to establish a dialogue, just as we are doing here before the public. What really happened? What must we do? Are these momentary problems so big and so serious that they will involve these two countries, these brother governments, in a conflict which, according to the news media, is almost without a solution and must lead to greater conflicts? I think not.

Are these conflicts really so insurmountable that they will prompt some people to believe that our governments or political systems are so incompetent or inept that we have to appeal to international forums to resolve a situation that can be overcome perfectly well? We really do not think so. We do not believe that is the case, and not just because of the origins and historic destinies of both nations. Ours was the first Latin American association established by that great democrat, Simon Bolivar. We must follow that same path.

Now, in an open, and cordial dialogue with my counterpart, the distinguished Venezuelan attorney general, we have been able to exchange viewpoints about the need for each nation to propose not only recommendations but also clear and decisive positions that will lead to cooperation between the highest levels of government and rapid solutions.

[Fernandes] Now I...

[Vasquez] There have been complaints, and charges have indeed been made. We should start from there.

[Fernandes] Let us try to put ourselves in the context of the situation. What did Colombia perceive? What has been said by those who decided to leave the Perija Mountain Range, those who were deported? Naturally, this policy was implemented as part of the sovereign and constitutional right of the Venezuelan Government. They declared that...

[Vasquez, interrupting] There have been complaints of abuses, torture, and at least 19 cases of forced disappearance. Fortunately, these persons have already reappeared. We hope that no authorities are involved these incidents. We believe that is the case, and we are optimistic about it.

[Fernandes] This was initially cause for some concern. Let us review the background. Immediately after the Cararabo tension began to develop, there was a situation that could not be overlooked. There are guerrillas or narco-guerrillas that want to disrupt bilateral relations between both nations. This has been clearly established, even as part of the guerrilla's overall strategy. Then we have the deportations of the inhabitants of the area...

[Vasquez, interrupting] This took place at practically the same time and was grounds for speculation that it was all part of a Venezuelan retaliation...

[Fernandes, interrupting] Of course. There was a lot of talk that the Venezuelan reply was in retaliation. In the end, Cararabo, an incident that hurt this country so much, began to lose importance.

[Vasquez] Carlos, I would like to clarify that Cararabo hurt not only Venezuela but also Colombia. Without a doubt, all Colombians condemned the incident because it was one of the most uncivilized and despicable attacks against individual rights that can take place. In addition,...

[Fernandes, interrupting] [Words indistinct]

[Vasquez] The Colombian authorities are currently investigating the incident.

[Vasquez] However, one must observe that there are certain stages that arise from certain situations. There was one stage in the eighties that was just the opposite, when Venezuelan officials, not guerrillas, were involved in violating the human rights of Colombian citizens.

[Fernandes] As Foreign Minister Burelli has said, what is important in all of this is understanding.

[Vasquez] If there are excesses, irregularities, or abuse of authority by any officials or agents, in some way it has the consent of the government. We cannot involve the entire institution. Just as in this case we cannot involve the state, which would lead to an unnecessary and futile war between countries.

[Fernandes] Mr. Attorney General, there was some confusion over certain remarks handled on a national level, internally in Colombia, and on an international level,

which had repercussions and reverberations throughout our country when it was reported that thousands upon thousand of people were being deported from Perija. Venezuelans became confused. On many occasions, we saw the Colombian consul in Maracaibo making statements and supervising the deportation of these people. It now happens that after handling this issue, Venezuela is portrayed as the aggressor, not the victim. How do you explain this?

[Vasquez] I am not talking about Venezuela, the country or the government, but some of its authorities. This happens in all democratic countries where abuse of authority occurs. Human rights violations occur not exclusively but fundamentally because these are deviations and abuse of authority. It is up to us to find and punish those responsible. We do not involve the state or the administration, but we have put some cases in the prosecutor general's hands. In the same way that the prosecutor general has given us documents in which a large number of deportees have reported being treated well in the presence of some authorities, including, in some cases, the consular representative [word indistinct] in this act.

[Fernandes] What is important right now?

[Vasquez] To try to determine if the statements are true or realistic with the understanding that when human rights violations are involved, there can be no territorial barriers or borders. Human rights are a natural outgrowth of fundamental rights: the right to life, liberty, dignity, work, and so on.

[Fernandes] Now, when the [word indistinct] began to talk about taking this to international levels...

[Vasquez, interrupting] Who raised the issue?

[Fernandes] No...

[Vasquez, interrupting] The speculative exercise of the media in Venezuela and Colombia produced commentaries in that sense, that this issue would be raised to an international level, indemnity sought, and formal accusations made. Recently, in Cartagena de Indias, President Samper said if it is proven, established, determined, then we will make the complaints.

[Fernandes] Then, Mr. Attorney General, how does the Venezuelan counterpart respond?

[Vasquez] By referring to human rights in Cararabo; the human rights of national guardsman killed in Perija; the soldiers killed in the attack on La Charca; to so many things that have occurred. I would be surprised if bilateral relations that could develop normally were to pursue a path that is not balanced, commensurate, pondered, discreet, or rational.

[Fernandes] But you see the importance of dialogue?

[Vasquez] Of course.

[Fernandes] [Word indistinct] clarifies all this.

[Vasquez] No nation or state can renounce a final appeal to international courts because it is consecrated in the rights which countries have recognized in punitive law. We believe that in this case—at least the Colombian attorney general believes—that it is not necessary to appeal to international institutions because we have the political ability for our respective governments to find a solution. If we were unable to solve the issue, which is not of such great importance as to make two nations confront each other...

[Fernandes, interrupting] [Words indistinct]

[Vasquez] [Words indistinct] what future can we expect for our nations, which need each other because we have the same origins.

[Fernandes] Mr. Attorney General, before we go to commercials, let's discuss another important issue. When people heard some of the remarks, which had international repercussions—some comments made by you, the ombudsman, the defender of the rights of the people in Colombia—people asked what was happening? Is there no possibility for negotiation? Can they not ease the tension? After the foreign ministers meeting in Medellin, we began to perceive another climate. There were meetings in Arauca, in [words indistinct]. Suddenly, bilateral relations are very erratic. What is happening?

[Vasquez] Well, at one point it was erratic in certain areas and at certain levels in the two countries, but I am certain that as our relations are reviewed, and we come to realize that the common objective of seeking the interests of our communities lies above everything else, reason will prevail and we will undoubtedly come out ahead. With respect to all of this, I would like to say that we should try not to look back. If we insist on looking back, we may find ourselves like Lot, who was turned into a pillar of salt. We should immediately search for solutions. In this respect, I believe there is a positive path toward that end which will allow us to finally find a solution leading to peaceful social coexistence between two nations that are practically integrated.

[Fernandes] We continue our interview with Colombian Attorney General Orlando Vasquez Velasquez. We were talking about paths, mechanisms, and options to resolve the problems between both nations and which, most naturally, will also serve to ease tensions in bilateral relations. What are these paths, Mr. Attorney General?

[Vasquez] Such paths definitely exist. Yesterday, during the meeting with the prosecutor general, we agreed on several issues, which I believe will be highly positive. For example, the issues we are handling now relate to human rights violations. These are no longer political but state issues and should be managed by the appropriate agencies, particularly the Attorney General's Office, which is responsible for protecting and guaranteeing individual

rights. The attorney general's office is also responsible for overseeing all penalties applicable to human rights violations. If an accusation has already been filed and is well known by each country, then both nations will determine the facts and the truth behind the allegations. For example, I was somewhat surprised by ...

[Fernandes, interrupting] You intend to do this by the Colombian Attorney General's Office and the Venezuelan Prosecutor General's Office working together?

[Vasquez] Exactly. We have already exchanged some evidence and statements, and now we are going to confirm the evidence and affidavits. For example, the Venezuelan prosecutor general has provided me with affidavits from Venezuelan nationals who have been deported. Some of the names on the affidavits claiming that people have been tortured by Venezuelan authorities also appear on other documents making totally contradictory declarations as to what was initially said. We are going to confirm and compare these accusations. As for the allegations that have already been proven genuine, we have asked the prosecutor general to begin an investigation and to contact the appropriate authorities to impose whatever penalties are required.

[Fernandes] The determination and willingness exist. Even with respect to the Cararabo incidents, the persons under arrest so far, and accusations related to human rights violations [word indistinct] Venezuelan. The Venezuelan Government has even arrested several individuals who, unfortunately, are Army officers. The significant issue here is that there is a willingness to try to resolve pending problems.

[Vasquez] I must sincerely say that this is proof of government confidence in an institution with such wide-ranging responsibilities as the Venezuelan Prosecutor General's Office. We can say the same thing is happening in Colombia in light of the atrocious murder of marines by a guerrilla organization operating outside Colombian law [word indistinct] by the appropriate government authorities. In Colombia, for example, the Prosecutor General's Office is also investigating the case since it is responsible for investigating all crimes, confiscating property, and ordering the arrest of all people involved in illegal activities. In this respect, the Colombian Prosecutor General's Office also exercises judicial responsibilities in criminal matters. On the other hand, the attorney general is currently involved in a two-way investigation of the same case. One, for example, involves legal surveillance. We have appointed a special district attorney to oversee the investigation being handled by the Prosecutor General's Office to ascertain which guerrillas were responsible. The other investigation is through a disciplinary administrative surveillance which is implemented directly, without having to be assigned to any other agency, to determine if any Colombian military or civilian authority has been involved actively or through negligence.

[Fernandes] Why was this case acted upon so quickly? In previous cases, such as when workers in Zulia State

reported human rights violations, the authorities did not take such rapid action. Of course, that was a different administration, not President Samper's administration. Under other administrations, human rights violations were reported but not acted upon so quickly. Some people began to question whether it could be a strategy of the Colombian Government.

[Vasquez] No, and perhaps one could say the opposite: there is a strategy of greater respect. Note, however, that perhaps because of the greater importance given to this incident, there has been a swift response. But in general, in the handling and treatment of human rights violations, one should have an immediate response. That is what we are trying to do. That is what we are seeking in all areas, regardless of nationality.

[Fernandes] That is very important. For example, when we talk about complaints that previous Venezuelan administrations have made for years about money laundering, narco-guerrillas, guerrillas, illegal immigrants, automobile thefts, and other issues in Venezuelan territory, we have been—and this is known in Colombia—on the receiving end of these issues, and there has not been a categorical, conclusive, response by the Colombian Government.

[Vasquez] In that case, I would say this could mark the strengthening of our relations, especially in legal and investigative cooperation, because cooperation is nonexistent. Unfortunately, nothing is being done. Something has to be done. Agreements exist between our governments regarding the exchange of evidence. This has to be done. There is criminal, punishable behavior that transcends national borders, in this case the Colombian and Venezuelan borders. We have to sit down, talk about these issues, and find areas of agreement so we can cooperate and so justice will be timely and efficient. That was one of the issues discussed yesterday with the prosecutor general. We are going to foster such exchanges. But we must also understand the following: People who commit crimes in a specific country must be tried in that country.

If we can provide cooperation, we are willing to do so. That includes providing evidence. The Colombian Attorney General's Office also has judicial police functions, so all our resources, all the evidence gathering we can provide, we are willing to provide. The same goes for our brother country Venezuela and its authorities. If our cooperation is requested and needed, we expect to provide it with all honesty.

[Fernandes] That is very important. Last year in Santa Fe de Bogota, we had the opportunity to talk with President Samper; Foreign Minister Rodrigo Pardo; Rodriguez Teran, our ambassador to Colombia; and Enrique Vargas Ramirez, a member of the Binational Border Commission. We summarized our conversation with President Samper, which was later aired on a special "24 Hours" program. If we summarize this

conversation, we see that it is an encouraging, invigorating, totally irreversible message. That is why it is surprising that all these things suddenly happened and there is talk of breaking or rupturing bilateral relations.

[Vasquez] We have to reflect on this. I am very grateful that you offer this encouraging message. That is the way we should all view the issue. Perhaps it is time we all stopped and looked toward the future. The number of things that unite us far exceed our differences, which are so small that they should not have been given so much importance, which only adds more fuel to the fire, a fire that need not be lighted. On the contrary, we can reach agreements, trade agreements and other kinds of agreements.

[Fernandes] The bilateral trade agreement is profound, but is it affected by all this.

[Vasquez] Without a doubt.

[Fernandes] Of course it is. There is concern in both sectors. There is concern in Colombia and in Venezuela, because on a daily basis they are involved in one of the most intense economic relationships that has emerged in the integration progress in recent years.

[Vasquez] Very true. The process is headed toward impressive growth which would, economically speaking, make the two countries practically one. We have to seek those paths. We are more than willing to do it, with the acknowledgement that many Colombians here in Venezuela...

[Fernandes, interrupting] There are millions.

[Vasquez] They have felt as if they were in their own country; there is no nationalistic resentment. Therefore we must [words indistinct].

[Fernandes] This leads me to comment on something. There has been much talk and speculation by the Colombian media that Venezuelans were taking chauvinistic, irrational attitudes, which makes no sense whatsoever. Thousands, if not millions of Colombians, live here with their Venezuelan children and Venezuelan roots. These people sing the Venezuelan national anthem, respect the country's symbols, and have been nationalized. In short, that sort of manipulation...

[Vasquez, interrupting] Once again, I must refer to comments made by Foreign Minister Burelli the day before yesterday. Just because someone makes a comment like that, it should not be interpreted as the government's official position. If opinions such as the one you mentioned were expressed, they are only isolated cases. I repeat, we must give importance to that which

[Fernandes, interrupting] [Words indistinct] generalization in the assessment, the interpretation. We are so close but so far in how things are construed here as well as over there, and that corresponds to ...

[Vasquez, interrupting] It is like when someone is in love, right? We tend to fight with those we love the most, and reconciliation is always much sweeter. We just have to take a look at what happens in most households.

[Fernandes] Anyway, we would like to thank you, Colombian Attorney General Orlando Vasquez Velasquez, for being here with us today for this very important interview. I believe it has provided us with a greater understanding of the depth of bilateral relations between Colombia and Venezuela.

[Vasquez] Thank you for the opportunity, and I would like to send warmest regards to the brother nation of Venezuela.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.